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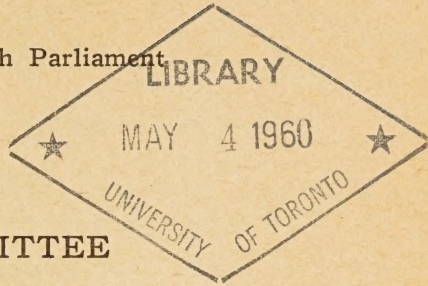


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HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament
1960



STANDING COMMITTEE

ON

RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: GORDON K. FRASER, ESQ.

PROCEEDINGS

No. 12-27

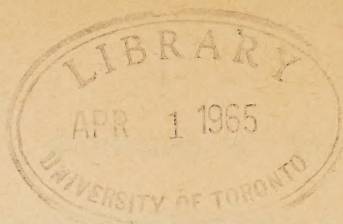
Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

TUESDAY, APRIL 26, 1960 - July 8

WITNESSES:

Messrs. George A. Shea of Montreal; Walter Smith, Ottawa Executive Representative, Canadian National Railways; and Mr. Maurice Archer, Chairman, National Harbours Board.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960



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STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: Gordon K. Fraser, Esq.

Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

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Asselin,	Dumas,	Monteith (<i>Verdun</i>),
Badanai	Fisher,	Pascoe,
Baldwin,	Garland,	Payne,
Bell (<i>Saint John-Albert</i>),	Grills,	Phillips,
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Bourque,	Horner (<i>Jasper-Edson</i>),	Rapp,
Brassard (<i>Chicoutimi</i>),	Johnson,	Rogers,
Brassard (<i>Lapointe</i>),	Keays,	Rynard,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Smith (<i>Calgary South</i>),
Bruchési,	Lessard,	Smith (<i>Lincoln</i>),
Cadieu,	MacInnis,	Smith (<i>Simcoe North</i>),
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Campeau,	Martin (<i>Essex East</i>),	Tucker,
Chevrier,	Martini,	Valade,
Chown,	Michaud,	Wratten—60.
Creaghan,	McBain,	
Crouse,	McDonald (<i>Hamilton South</i>),	
Denis,	McGregor,	
Deschatelets,		

Eric H. Jones,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, April 26, 1960.
(20)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Asselin, Badanai, Bourget, Bourque, Brassard (*Lapointe*), Browne (*Vancouver-Kingsway*), Creaghan, Denis, Dumas, Fisher, Fraser, Howe, Johnson, Keays, Martini, McDonald (*Hamilton South*), McGregor, Monteith (*Verdun*), Payne, Phillips, Pigeon, Rapp, Smith (*Calgary South*), Smith (*Simcoe North*), Thompson, and Wratten. (26)

In attendance: The Honourable George Hees, Minister of Transport; Mr. Maurice Archer, Chairman, National Harbours Board; Mr. Walter Smith, Executive Representative, Canadian National Railways; Mr. George A. Shea, of Montreal, former Director of Investigation, Canadian National Railways.

The Committee resumed its consideration of the toll-collection operations at the Jacques-Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

Mr. Archer tabled a voluminous document, being a record of overtime paid in the year 1959 to certain seven toll collectors on the Jacques-Cartier Bridge. This document was tabled pursuant to a request of Mr. Pratt on April 5th. Copies thereof were distributed to members present. The Committee agreed that the said document be not printed in the record of its proceedings of this day.

The Chairman reported that the Subcommittee on Agenda and Procedure had met on the preceding day when it had considered the following matters.

(a) A letter dated April 23, 1960 from Mr. Pothier Ferland to the Chairman in which he made certain representations, in part objecting to the Committee's consideration of the toll-collection operations on the Jacques-Cartier Bridge, as he considered that they were prejudicial to his clients, being toll collectors who are now under charge. The Chairman stated that he would discuss the subject-matter of the said letter with the proper authorities, but that he has not yet had an opportunity of doing so.

(b) A letter dated April 20th to the Chairman from Mr. Harold Lande, Q.C., who had been summoned to appear before the Committee on April 28th, and who now asked that, instead, he be permitted to appear on May 3rd. The Subcommittee recommended that Mr. Lande appear on May 3rd and that there also then appear Mr. H. F. Mead in place of Mr. Frank Hall who had earlier been summoned; Messrs. Archer, Beaudet and Finlay of the National Harbours Board; and Mr. Charles A. Giroux.

(c) The report of the Special Subcommittee appointed to make an initial examination of the personal and confidential documents which had been produced by Mr. Archer on April the 7th, in which the Special Subcommittee expressed the opinion that the said personal and confidential letters and those marked "Without prejudice" be considered as such in view of the fact that they do not contain information useful to the Committee's enquiry. The Chair-

man suggested that in the circumstances the said documents be returned to Mr. Archer; and, the Committee agreeing, he thereupon handed the files back to Mr. Archer.

(d) The recommendation of the Subcommittee that Messrs. Lionel Côté and L. J. Henderson, of Canadian National Railways from Montreal, be heard by the Committee on Thursday, April 28th.

The Committee concurred in the recommendations of the Subcommittee as set out above.

The Chairman reminded Miss Paulette Cyr, the interpreter, and Mr. Archer that they were still under oath.

Messrs. Walter Smith and George A. Shea were severally called, sworn, examined and retired. During their examination Mr. Archer answered questions directed to him.

Also, during the said examination it was moved by Mr. McGregor, seconded by Mr. Pigeon, that confidential reports of Canadian National Railways investigators on toll collectors on the Jacques-Cartier Bridge, insofar as they are in possession of the National Harbours Board be produced to the Committee. Following debate, the said motion was carried on division, YEAS: 10; NAYS: 3.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings.

At 11.15 o'clock p.m. the Committee adjourned until 9.30 o'clock a.m. on Thursday, April 28, 1960.

Eric H. Jones,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

TUESDAY, April 26, 1960.
9.30 a.m.

The CHAIRMAN: Gentlemen, I see a quorum. I hope you all have had a good Easter holiday.

I am sorry to hear—and I know that all of you are—that Mr. Martin is not well. We wish him a speedy recovery.

Now, I want to remind them that the interpreter and the officials of the National Harbours Board are still under oath.

The two witnesses who will be appearing before us this morning are Mr. Walter Smith and Mr. Shea.

Walter SMITH, sworn.

George A. SHEA, sworn.

The CHAIRMAN: Mr. Archer has some documents to table, which he did not have ready for our earlier printing of proceedings. They are in regard to questions which were asked by Mr. Pratt, and concern overtime of toll collectors.

Have you anything to say, Mr. Archer?

Mr. MAURICE ARCHER (*Chairman, National Harbours Board*): I have nothing to add. The documents concern exactly what you have said. They are ready now for tabling.

The CHAIRMAN: All right; they are tabled now. Thank you very much.

We intended to have Mr. Harold Lande and Mr. Frank Hall appear before this committee on Thursday of this week, but owing to the fact that there is a labour congress on in Montreal at the present time Mr. Hall could not come. The steering committee has suggested that Mr. Lande be called for May 3; that is Tuesday of next week.

As it is the understanding of the steering committee that Mr. H. F. Mead knows more about this affair than Mr. Hall, he is being called instead of Mr. Hall.

Mr. Archer, Mr. Beaudet and Mr. Finlay of the National Harbours Board will be called at the same time, as well as Mr. Charles A. Giroux. Gentlemen, I hope that meets with your approval.

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: I also would like to state that a letter has been received from Mr. Pothier Ferland. The letter is dated April 23. I understand that a copy of this letter has been sent to each member of the committee, the Minister of Justice, and the Minister of Transport.

Your steering committee discussed this matter yesterday, and it was decided to ask the proper authorities for an opinion on this. We should have an opinion from them some time today.

A special subcommittee was appointed by the steering committee to go over the personal and confidential documents, as well as those which were marked "without prejudice" which were produced by Mr. Archer and Mr. Beaudet on April 7th. These were examined by the special subcommittee, who reported to the steering committee.

Perhaps, I should read this exactly:

...in view of the fact that in this instance these letters did not contain facts useful to the committee's enquiry, the steering committee concurred in the report of the special subcommittee and recommended it for the approval of the main committee.

—and that was, that these letters should not be produced any further.

Now, gentlemen, I hope you all agree with that. If so, I feel that the only proper thing to do is to hand back these letters to Mr. Archer. Is it agreed?

Agreed.

On Thursday of this week we are going to have two officials from the Canadian National Railways, namely Mr. Côté and Mr. Henderson. They will appear before this committee as witnesses in regard to the Victoria bridge. This is being done because the Victoria bridge, along with the Jacques Cartier bridge, was referred to this committee. Mr. Donald Gordon has advised that these gentlemen would be at our service any time we required them.

I think that is all the information I have to relate from the steering committee.

At this time, we have Mr. Walter Smith and Mr. Shea before us.

Have you anything to say at the present time, Mr. Smith?

Mr. WALTER SMITH (*Executive Representative, Canadian National Railways*): Nothing, thank you, Mr. Chairman.

The CHAIRMAN: Allright, gentlemen. It was requested that these two gentlemen be called. Have you any questions to ask of either Mr. Smith of the Canadian National Railways who issued the press releases on toll charges, or Mr. Shea, former Director of Investigation, Canadian National Railways?

Mr. SMITH (*Calgary South*): Mr. Chairman, I would like to ask Mr. Smith what type of investigations were carried out under his direction and the period of time in which he was responsible for these investigations.

The CHAIRMAN: You mean Mr. Shea.

Mr. SMITH (*Calgary South*): Yes. I am sorry.

Mr. GEORGE A. SHEA (*former Director of Investigation, Canadian National Railways*): The first recollection I had of anything about the Jacques Cartier bridge I think would be in 1934; the record would show it, but I am pretty sure of that. I saw it in the press. Mr. Ferguson, who was then, I believe the port manager, came to see me and asked me what we did about Victoria bridge and I told him we checked it about once a year when we have the time.

I had a special group which checked on all revenue collected by conductors, dining-car stewards, sleeping-car conductors, or anybody who handled cash. When our men are in the east we try to do the Victoria bridge. He said, "Could you help us out by making a check of our bridge?" I said I thought we could. What I am not sure about is that Mr. E. E. Fairweather was head of the law department at that time, and he and the officials of the harbour were dealing with rates and other things and were conferring. I was never in on that. I have a faint recollection I saw Mr. Fairweather first. I know I talked to

him after. He asked me and I said "I will do that for you, but keep us out of the picture; my particular staff are selected for this type of work and their identity must not be disclosed". He said "That is all right". I said "There is another thing. I will not tell you when we are going to do it". We never did that with our own; we never told any official in the railway when we were going to check a certain thing. Once upon a time, about forty years ago, we used to find out from the officer in charge—for instance, a superintendent—and, with all the good intentions in the world, he would tell us to find out what run conductor so-and-so is on, and somebody would become interested. So when I took charge in 1932, I decided we will not consult with anybody. I decided we would do the work and would turn the results over to management, and from there on it is not our responsibility.

However, in getting evidence we had to get evidence which would stand up in any court of law. If it was information which might cause the discharge of an employee, then it was serious, and we had to have the evidence or he might sue us. If we found out there was nothing deliberately irregular we might ask for some admonition for those employees. But if we felt there was something very irregular we would continue to check it and satisfy ourselves in respect of it.

I do not recall what time of the year, but it was probably during the summer time of 1934 that we first made a check of the harbour bridge.

Mr. SMITH (*Calgary South*): At whose request?

Mr. SHEA: I think the port manager, Mr. Ferguson—I do not know whether or not the man is alive today—he retired some years ago. When the next one was would be a matter of record—I do not have any recollection. It might have been three or four years or so. We checked our own regularly. But I only checked the Victoria bridge when requested to do so. Our staff was fully engaged all the time. I was doing it just to oblige them. They said it would be nice if we could help them out.

Mr. CREAGHAN: I think you meant to say the Jacques Cartier bridge.

Mr. SHEA: Yes.

Mr. SMITH (*Calgary South*): What was the date of the last examination or investigation?

Mr. SHEA: Under my jurisdiction?

Mr. SMITH (*Calgary South*): Yes.

Mr. SHEA: That would be in 1958. I retired on March 1, 1959. It would be some time during the summer or fall of 1958. We made a rather extensive one at the request of the harbour people.

Mr. SMITH (*Calgary South*): With what size of a staff?

Mr. SHEA: The number of men we used?

Mr. SMITH (*Calgary South*): Yes; in 1958, as an example.

Mr. SHEA: Perhaps there would be seven, ten or twelve men.

Mr. SMITH (*Calgary South*): And what was the type of investigation you carried out in 1958?

Mr. SHEA: It would be to determine whether or not the men were carrying out their instructions. I sent the inspector in charge of that work to see Mr. Beaudet who, I think, was in charge at that time, and another gentleman, the superintendent of bridges. His name escapes me at the moment. I think it is Mr. Clément.

The CHAIRMAN: Yes.

Mr. SHEA: He would go to see him and come back and confer with me, and say "I have seen Mr. Beaudet and Mr. Clément." I think I saw Mr.

Clément one time—I think he came to see me with my inspector. I do not think I personally met Mr. Beaudet. I am pretty sure, however, that I spoke to him on the telephone. They would simply call me and say “this is so-and-so speaking. How about making a check of our bridge at the first opportunity?” I would say “Very well; I cannot promise when it will be because my men might be at the coast”—and sometimes they are gone for six weeks. In 1958, however, I recall we did a very extensive investigation for them. We acted the same as in our own business—just as an ordinary passenger in a motor car. Our men would be given all the information by the superintendent, or whoever was there, as to what the instructions of the toll collectors were; that is to determine whether the man wore an identification badge with his number on it—our men would record that—whether he gave a receipt, or whether he took a loose ticket out of a book. He was not supposed to take out loose tickets. We guided ourselves by what we used to find on our own bridge. There were things we were looking for. I think there was considerable negligence in the last check in 1958, but the record would show that. They would have that in Montreal and the harbour would have it also.

You would not find any correspondence between the harbour and ourselves because when Mr. Ferguson first came to see me I said “Do not expect me to write you on this; I will not do it. I am helping you out but we do not even write our own people until everything is concluded. Then we call for an investigation.” You never know who sees it. It is as much in the interest of the accused as anybody else because he might be talked about and may not be guilty. We did not want to be involved or implicated.

Mr. SMITH (*Calgary South*): During this period in your operations I assume you co-operated with other law enforcement authorities?

Mr. SHEA: Yes; anybody. We even co-operated with the United States authorities if they wanted help. We felt we were a common enemy in fighting crooks. We also worked with the R.C.M.P. every day.

Mr. SMITH (*Calgary South*): In 1958, in respect of the bridge were you in co-operation with any other law enforcement agency?

Mr. SHEA: No, we did it on our own. We always looked after our own revenue checking.

The CHAIRMAN: Have you any other questions?

Mr. JOHNSON: I hear you say that you investigated only in automobiles and never crossed the bridge in trucks or anything else?

Mr. SHEA: That is right. It is a very difficult matter to check trucks.

Mr. JOHNSON: Between February and March of 1946 to September 1952, did you have any calls from anybody connected with the Jacques Cartier bridge to make investigations or checks?

Mr. SHEA: I could not be specific, but I would say probably every four or five years.

Mr. JOHNSON: I have a report showing that in March, 1946, there were investigations. Twenty-nine crossings were made. Do you recall that?

Mr. SHEA: That sounds like us too.

Mr. JOHNSON: Did you have a specific request to do this investigation?

Mr. SHEA: Yes. We would not do it otherwise. We would not do it without a specific request.

Mr. JOHNSON: You do not remember making any investigation between February, 1946, and September, 1952?

Mr. SHEA: No. It is possible. I know there was quite a period there. Would that be under the regime of Mr. Murphy who was port manager? I met Mr. Murphy, but I never recall him requesting me to make a check.

Mr. MAURICE ARCHER (*Chairman, National Harbours Board*): I would have to check the dates, but I think in this period it was partly under Mr. Murphy.

Mr. SHEA: I would not be certain about the dates, but I know there might have been a period of four or five years in which we had no request.

Mr. JOHNSON: Would you explain to the committee how the checks were made on any of these occasions. Was there a pattern adopted to follow?

Mr. SHEA: Yes. We would make tests to see what the situation was. Then we would go to work when traffic was not too heavy. We went in the evenings, sometimes fairly late, I believe. I think this was in 1957. We decided, because we did this on our own bridge also, that we would try a kind of "squeeze-play". In other words, we would have three cars. We would go across like a normal passenger, and ask what the fare was. If he said it was twenty-five cents and so much for each passenger we would pay that; and we used to instruct our men not to hurry, and to give him an opportunity to give a receipt, but not to dilly-dally too long or he might get suspicious. They would not ask for a receipt, but when we did the "squeeze-play" we would tell the first car to ask for a receipt if he doesn't give one; and we would tell the second car not to ask for a receipt. If the third car did not get a receipt it would be requested. Sometimes we found that a person who did not ask for a receipt did not get one. At other times we would simply check in the ordinary course of events to see if they were on the job. If they were courteous to the public we would pay attention to that. If we saw any slovenliness or anything else in their dress we would report that also.

By and large, however, I do not think there was anything very special except what we termed "negligence".—It is pretty difficult to determine. Only God and the man know if he is actually guilty of theft.—We had no means of proving his intention. We would not charge the man with theft but would say that he failed to report all revenue collected, that he failed to give a receipt. We would tell them that, but never dictate what they should do. We would say "We are not interested in what action you should take."

Mr. JOHNSON: Were you ever asked by any official of the National Harbours Board to make any other check, such as, for example, checking on the change that the toll collectors had when they started working?

Mr. SHEA: No.

Mr. JOHNSON: Checking on the change that the toll collectors had when they started working on their shift, and the change they had and the money they had in their pockets when they left the shift, when they stopped working?

Mr. SHEA: No. You will understand that ours was strictly a secret check. We could not afford to identify our men. In other words, they would use their own police if they wanted that, and I presume they probably did that at times. But we would not do it, even on our own trains, or anything. We would just act like a regular passenger, because once you have destroyed your identity, you are finished.

Mr. JOHNSON: Did you have a man in charge of the squad when they were working?

Mr. SHEA: Yes.

Mr. JOHNSON: Did he report to you directly?

Mr. SHEA: He came under the Toronto office. But on this Montreal, Victoria bridge case, we had a man at Montreal, and he would confer with me and I would go over the evidence finally to say, "I think we have enough; we cannot waste any more time on this. We have finished our own—we have finished the harbour. You go and see whoever is there and tell them".

We did not want to write any letter. We would give the evidence that we had, and our man went there. And I think our man sat in on one or two investigations. I think in about 1958 the inspector sat in on an investigation.

Mr. JOHNSON: Did your squads know before they had to go on a check? Did they know a long time before they started on this particular check?

Mr. SHEA: No.

Mr. JOHNSON: Would they get the order just a few minutes before, or what?

Mr. SHEA: They might know, if they were brought in off the road, and we would say, "We are going to do some checking this week locally"; and that day the inspector would pick the men. They were accustomed to checking Victoria bridge. It was the same squad all the time, and they would know that if they did not do it today, they would do it tomorrow. But we kept the harbours thing down, because we were only helping them. We kept that more secret than the other.

Mr. JOHNSON: Were there any men on your squad able to know ahead of time, in order to be able to tell the toll collectors about this?

Mr. SHEA: No, I do not think it is possible, because if he were doing it himself, he would never know. For instance, the inspector might say, "This afternoon you go home, and be back at 8:00 o'clock tonight; we may make a check tonight". It may be Victoria bridge. Then he would go right on and make a check on the other bridge as well. But he would only be instructed to do what he had to do with it.

Mr. JOHNSON: Do you mean there were regular checks on Victoria bridge?

Mr. SHEA: Yes, we checked that, I am sure, at least once a year.

Mr. JOHNSON: Since what year?

Mr. SHEA: 'Way back; long before I had anything to do with it.

Mr. JOHNSON: Was that asked for by the C.N.R., or was it part of your ordinary duty?

Mr. SHEA: Yes, it was revenue. Nobody would have to ask; we would do it. We did it 'way back, from the time of amalgamation in 1923.

Mr. JOHNSON: That means you would not go and make a check on the Jacques Cartier bridge unless required to do so by the manager?

Mr. SHEA: No. We could not afford the time, either.

The CHAIRMAN: Are there any other questions, gentlemen?

Mr. McDONALD (*Hamilton South*): Might I ask Mr. Shea this question, Mr. Chairman?: How many bridges did the C.N.R. have, that you checked?

Mr. SHEA: Victoria bridge is the only thing we have there.

Mr. McDONALD (*Hamilton South*): And you said you did that every year, periodically, to make sure that everything was up to correct standards?

Mr. SHEA: Yes. But apart from that, so many of us used to cross the bridge ourselves. I cross over there often myself, and I could not fool them; they all knew me. But we would have others go over to see if everything was all right—if the men wore their badges, and so on.

Mr. McDONALD (*Hamilton South*): But the management of the C.N.R., felt it was necessary to have a check every year on the Victoria bridge, to keep things up to par?

Mr. SHEA: I would not say the management did that. We did it whenever it was convenient. We had a kind of unwritten understanding for many, many years, even on our own, that we ought to try and check everybody within a period of two years. That is, every conductor, every dining-car steward, everybody who handled revenue—every ticket clerk.

It was impossible to always do it. We made it pretty close sometimes; but sometimes we missed it. The man would be away on vacation, or he would be ill when our man was in the district, and we had to miss him. But we got around every two years to doing it. Where everybody lived in Montreal, we would check the bridge.

This check is not a day affair. Sometimes it is over four or five weeks. The men would go on the road, come back and make another check.

Mr. McDONALD (*Hamilton South*): On their checks on the Victoria bridge, would you find very much negligence every year?

Mr. SHEA: No. Sometimes we found a fellow did not wear his badge. He would give you a receipt—

Mr. McDONALD (*Hamilton South*): He would not give you a receipt?

Mr. SHEA: He would; but he would not put on his badge. We would report that.

Mr. McDONALD (*Hamilton South*): You checked this periodically, and you felt this helped to keep things in order?

Mr. SHEA: There is no doubt about it. And we let it be known. They were admonished every time we made a check. It was in 1957 that I think I said to the head of that department, "I will tell you what I advise you to do. There are quite a number of these men—20 odd—doing this work." I said, "We have maybe three or four reported for negligence"—who did not give a receipt, or some other negligence. I said he should call in the man and make him sign that he had been found wanting in such a respect; whether it was in his clothing, not wearing his badge, or whatever it was.

I said, "Tell him: 'You are going to be checked, and often. The next time you are checked, you will not have a job, if we find this condition'".

Mr. McDONALD (*Hamilton South*): In your opinion, as an investigator of the C.N.R., do you think it is wrong that a bridge goes without a check for five or six years?

Mr. SHEA: I would not like to adjudicate upon that: it is somebody else's affair. I understood they had supervisors on there.

Mr. McDONALD (*Hamilton South*): I am talking about independent checks. I understand that your organization in the C.N.R. is an independent investigation branch and nobody knows what is being done?

Mr. SHEA: That is right.

Mr. McDONALD (*Hamilton South*): I understand that on some of the railways you have supervisors too that will go along and check?

Mr. SHEA: That is right.

Mr. McDONALD (*Hamilton South*): That would be under the same circumstances as the supervisor on the bridge. But for a five- or six-year period you would leave the Victoria bridge without a check. Would you feel, as an investigator, that this would be wrong?

Mr. SHEA: That is under the old system, now, of course.

Mr. McDONALD (*Hamilton South*): Yes.

Mr. SHEA: Yes, I would have to say that I think the men are bound to get more careless if they do not give them a check once in a while.

Mr. McDONALD (*Hamilton South*): And this negligence you are referring to on the Jacques Cartier bridge was not giving receipts, not wearing a badge, et cetera?

Mr. SHEA: That is right.

Mr. McDONALD (*Hamilton South*): What other type of negligence did you find on the Jacques Cartier bridge?

Mr. SHEA: Regarding taking tickets; they have books of tickets, and they are not supposed to be taken out of the book, but they used to take these tickets—we would get those tickets.

In other words, we would make an observation to see what they were doing, and the harbours people would tell us. We were pretty sure they were taking loose tickets, or something like that; but they wanted to be sure. We would go according to what they told us.

Mr. McDONALD (*Hamilton South*): Thank you.

Mr. CREAGHAN: Did you confine your check on the Jacques Cartier bridge to the actual toll collectors, or did your investigators perhaps make any check of the cash receipts later on in the day?

Mr. SHEA: No, we just acted on going over with a car, not making ourselves conspicuous. We did not do anything about the counting, or anything of that.

Mr. CREAGHAN: You did not do anything about the counting?

Mr. SHEA: No. I did not want to have anything to do with that, because our men would be exposed.

Mr. CREAGHAN: I think it is pretty well common knowledge that all C.N.R. employees know that you have this C.N.R. team of investigators?

Mr. SHEA: That is right.

Mr. CREAGHAN: They also know that at any moment of the day or night they could be being checked?

Mr. SHEA: That is right.

Mr. CREAGHAN: Would you agree with my suggestion that that alone, whether or not they were very active, would be quite a deterrent?

Mr. SHEA: I would say it would have more effect.

Mr. CREAGHAN: The fact that it was the policy of the railway to go on with these investigations?

Mr. SHEA: Yes; even if we find anything, or not, in any particular district, we go to even remote corners of the C.N.R. In fact, if we did not find anything six months ago, we would go back again just the same.

Mr. CREAGHAN: I presume you have read the committee reports in printed form?

Mr. SHEA: No, I have not had an opportunity.

Mr. CREAGHAN: Appendix C, which appears on page 92, sets out in summary form the various checks that your investigation department conducted.

Mr. SHEA: I see it.

Mr. CREAGHAN: It is something prepared by the harbours board for the use of the committee. I think perhaps it would be of some advantage if you looked at pages 92 and 93.

Mr. SHEA: Yes, I have them here now. I see it says here, "June-July 1934". I am pretty sure that was the first time I ever did anything for them.

Mr. CREAGHAN: Dealing with the first summary, June-July, 1934, the report says that there was very, very little, if any, irregularity at all.

Mr. SHEA: That is right. Do not forget that we are in the height of the depression there, and business was not brisk. I think the receipts would probably show that traffic was not as heavy as it was at other times.

Mr. CREAGHAN: And four years later, 1938, you have 37 checks, and the only irregularity, if any, was the fact that the collectors sometimes accepted coupons that were unattached.

Mr. SHEA: Yes.

Mr. CREAGHAN: On the next check, in 1942, there were only very, very minor irregularities, if any. In 1946 a similar check was made, and it would appear from the summary that the same offence, if any, was the failure to check whether the coupons were attached.

So I presume it is right—if this summary is correct: which you cannot state, perhaps—that between 1934 and 1946 there was no report by your investigators to the Board of any serious irregularity?

Mr. SHEA: No, I would say that these here look to me to be about regular intervals. You see 1934, 1938, 1942, 1946 and 1952. There is the biggest span there. Mr. Beaudet—I think it is Mr. Beaudet, the present—

The CHAIRMAN: Port manager of Montreal harbour?

Mr. SHEA: Yes. He got after me. Apparently his predecessor had told him of the things that had gone on in the past, and he told me—I used to help him out, so he got after me to help him out. I think we made one in 1957 or 1958, and perhaps we made one in 1959. Yes, it is here.

The CHAIRMAN: 1959, August and September.

Mr. CREAGHAN: But in the first four investigations, the information that the committee has does not disclose that your investigators found any instances where cash receipts were not given, or where, perhaps, a charge was not made in the case of automobiles with passengers.

Mr. SHEA: I would not want to make a blanket statement on that; but these are no doubt taken from the record, and I do not recall anything terribly serious myself.

The one uppermost in my mind is 1958, because it is so recent—and I notice here that we made 85 checks. That was Mr. Beaudet who asked for that. He said, "I want to give it a good check".

Mr. JOHNSON: That was 1952?

Mr. SHEA: 1958.

Mr. CREAGHAN: If you look at page 93, in the September, 1952, investigation, it says in the second paragraph—it is not part of your report—that in reporting to the board the port manager stated that he would prefer to obtain additional evidence in respect of the toll collectors concerned.

Am I right in assuming that you would, in this instance, give a written report to the harbours board, or to the port manager?

Mr. SHEA: Not in the form of a report. We would type out all the incidents that we had discovered, and I think I told our men, "Make them on plain paper", so that the C.N.R. did not appear in this. We felt we were doing this as an agent for the government.

Mr. CREAGHAN: It would be a confidential report to the port manager?

Mr. SHEA: I would tell him to go down and hand it to him, so that it would not go in the mail.

Mr. CREAGHAN: When you delivered it—if you did it personally—do you recall whether you went over it and had any discussion?

Mr. SHEA: No, I did not. I sent the inspector down, the man in charge of that work.

Mr. CREAGHAN: We are trying not to get into personalities. Would that inspector be alive now?

Mr. SHEA: Yes.

Mr. CREAGHAN: He is still on the job?

Mr. SHEA: He is still there.

Mr. CREAGHAN: I notice that in the 1957 inspection that the railway conducted they investigated 100 crossings, and in 90 cases they found something wrong. In the 1958 one, about 66—or 65—of the crossings has something irregular to report.

Mr. SHEA: Just from memory, we realized ourselves that things had worsened since the old days. We did not find too much in the old days, but things had worsened there. I do not know, but it seems to me they had quite a change in personnel. I think they were coming and going. I know that for our own we had the same thing, and that used to worry us, because everytime you got a change of personnel you did not know what you were getting. They did not have any experience, to begin with.

And, do not forget, there was pressure put on these toll collectors by people who lived there, and came over every day. They wanted to get by with a book that was out of date, or something. Say he has been sick for two weeks and wants to use his tickets. If the toll collector is not right on his toes, he would hand him another date ticket.

Mr. CREAGHAN: This is my final question, Mr. Chairman. I believe it is a repetition. I am right in assuming that your special type of investigators confined their work to an inspection of the toll collectors?

Mr. SHEA: Yes; that is all they were asked to do, and that is all they did. I would say, observations in the dress of the men, and things like that—if there was anything unusual.

Mr. PIGEON (*Interpretation*): During the investigations made by your men, did the investigators find false receipts?

Mr. SHEA: False receipts?

Mr. PIGEON (*Interpretation*): Counterfeit—or tickets.

Mr. SHEA: No, I do not recall anything like that.

Mr. PIGEON (*Interpretation*): When your men made the investigations and they had doubts, or if doubts arose, did they also further that investigation into the way of life of the toll collectors?

Mr. SHEA: Oh, no. I could not have taken that on, because I could not expose our men too much. I could not afford the time, either.

The CHAIRMAN: Are there any other questions, Mr. Pigeon? Mr. Johnson.

Mr. JOHNSON: Up to now, Mr. Shea, I understand that you have done these investigations upon the request of the manager of the harbour?

Mr. SHEA: That is right.

Mr. JOHNSON: Did you, since 1946—and especially from 1946 to 1952 and 1957—get any request, either verbally or written, from the then Minister of Transport, Mr. Chevrier, or Mr. Marler, or any of the secretarial executive assistants, to go into investigations?

Mr. SHEA: No.

Mr. JOHNSON: And did you get any of the officials of the Department of Transport ever getting in touch with you and asking you to investigate?

Mr. SHEA: Never.

Mr. JOHNSON: Did you know of any such request made to the Canadian National Railways—to other officials of the C.N.R.?

Mr. SHEA: No. I imagine I would have known about it, if any were made, because it would have to come through me. But there was never a request, that I remember.

Mr. JOHNSON: It was impossible for the C.N.R. to send any other officials to go and investigate, other than your department?

Mr. SHEA: Yes, they would not have the wherewithal to do it.

Mr. JOHNSON: The only department was yours?

Mr. SHEA: We were equipped to do it.

Mr. McDONALD (*Hamilton South*): Mr. Shea, I want to make a comparison here. In 1952, when your investigators went out, you found that of the 75 checks which you made, there were about 78 per cent discrepancies in something the toll collectors were doing.

In 1957 there were 90 per cent discrepancies; in 1958 there was 79 per cent, and in 1959 there was 65 per cent. Is this an unusually high rate of discrepancies, in comparison with the investigations you would make on the Victoria bridge?

Mr. SHEA: Oh, yes.

Mr. McDONALD (*Hamilton South*): It is?

Mr. SHEA: Yes.

Mr. McDONALD (*Hamilton South*): Would it be double, or triple?

Mr. SHEA: Far more than that.

Mr. McDONALD (*Hamilton South*): In other words, you might say this was astronomical?

Mr. SHEA: Yes. We were astounded ourselves. We had to make that many trips to find that out. We had to cover the different toll collectors. We may go back, and they had changed shifts. We might misfire, and we had to go back again. You could not ask any questions.

Say a man reported sick, and he was supposed to be on duty, and there is a new man in his place. Well, we would not know that.

Mr. McDONALD (*Hamilton South*): In other words, because of your periodic checks on your own bridge, the fear was in the toll collectors' minds that they might be checked any moment?

Mr. SHEA: I presume so.

Mr. McDONALD (*Hamilton South*): And in this case, these people pretty well knew they were not being checked? Would you know that?

Mr. SHEA: I would not know that. I would imagine their own police made certain checks on the bridge. They might have had the R.C.M.P., for all I know. I never heard about that.

Mr. McDONALD (*Hamilton South*): But these figures are very, very high?

Mr. SHEA: Yes; but this is concentrated checks. They are high because we made more checks.

Mr. McDONALD (*Hamilton South*): You would have made more checks on the Victoria bridge, had you found large discrepancies, would you not?

Mr. SHEA: We made sufficient checks to cover all toll collectors, to see how they were acting; and I would decide myself on the results. After we had spent three, four or five weeks, every few days checking over, I would say, "That is enough. The men have got to go to Halifax," or Vancouver, or somewhere else.

Mr. McDONALD (*Hamilton South*): I do not know to whom to direct this other question right now. But in 1952, when there was 78 per cent discrepancies, on the C.N.R. investigation, would you give that, Mr. Shea, to the port manager—the report; is that correct?

Mr. SHEA: That is right.

Mr. McDONALD (*Hamilton South*): And the port manager would go within his jurisdiction to find out what other investigations would be required to investigate these discrepancies. Who would find out what other investigations were to be carried on within the internal investigations of the harbours board?

Mr. SHEA: I imagine—

Mr. McDONALD (*Hamilton South*): Well, I will ask that when Mr. Beaudet comes back.

Mr. MONTEITH (*Verdun*): The travellers on the bridge, whether it be buses or trucks, were their receipts ever checked to see if they corresponded with the amount of the tariff for that particular bus or truck?

Mr. SHEA: Not by us, no.

Mr. MONTEITH (*Verdun*): Not by you?

Mr. SHEA: No.

Mr. MONTEITH (*Verdun*): Were receipts ever checked as to their serial number, to see if they corresponded with receipts issued to the collectors?

Mr. SHEA: We would have no means of doing that without disclosing our identity.

The CHAIRMAN: Any other questions, Mr. Monteith?

Mr. MONTEITH (*Verdun*): That is all.

Mr. BRASSARD (*Lapointe*) (*Interpretation*): I would like to ask a question of Mr. Shea. Does he know what is the position of the province relative to crown agents of the provincial government?

Mr. SHEA: In making checks on this thing, do you mean?

The CHAIRMAN: Ask him in French, Mr. Shea.

Mr. SHEA: I do not get the question.

Mr. BRASSARD (*Lapointe*): I will phrase it otherwise, Mr. Shea.

(*Interpretation*): I would like to ask Mr. Shea if at the federal level there is any intervention on the part of cabinet ministers or executive assistants with respect to crown corporations like the C.N.R.

Mr. SHEA: I can only speak for the C.N.R. Nobody ever interfered with me.

Mr. BRASSARD (*Lapointe*): That is all I had to ask.

The CHAIRMAN: Mr. McDonald, the information you wanted is on page 31. That is all, Mr. Brassard?

Mr. BRASSARD (*Lapointe*): Yes, sir. That is for Mr. Johnson's information.

Mr. MCGREGOR: When Mr. Shea made his report to the port manager, was that made in writing?

Mr. SHEA: Not an official report. We gave him the conclusions, the results of our check only, on plain paper, so the Canadian National Railways would not appear in it.

Mr. MCGREGOR: They were made in writing?

Mr. SHEA: Yes, everything was put down in black and white.

Mr. MCGREGOR: Have we had any of those reports appear before us?

Mr. SHEA: The port manager would have those—that is where he made his conclusions from here.

Mr. CREAGHAN: He must have them, because we have summaries here.

The CHAIRMAN: We have summaries on that.

Mr. MCGREGOR: We have the actual reports?

The CHAIRMAN: Summaries of these reports.

Mr. MCGREGOR: I would suggest the actual reports should be produced before the committee.

Mr. SHEA: The same would hold true for the Canadian National Railways. There is the system under the association of American railroad rules regarding detailed records, and that is a proposition everybody is faced with. It has to do with lack of space. There is a rule that every six years you destroy records. First, you must ask permission, and then they are destroyed, because it is

presumed by that time they have been acted upon. I presume the Harbours board had to do similar things, and would not have room to keep the accumulation of records.

Mr. JOHNSON: Do you mean to say you do not have them any more?

Mr. SHEA: The rule is, six years.

The CHAIRMAN: Those records would be interdepartmental and, therefore, cannot be produced.

Mr. MCGREGOR: They could not be produced before this committee? Surely—

The CHAIRMAN: They are inter-departmental.

Mr. JOHNSON: How could they be inter-departmental?

Mr. MCGREGOR: Surely, any reports like that can be produced before this committee?

The CHAIRMAN: Mr. Beaudet will be here on Tuesday of next week.

Mr. ARCHER: I think we have many of the reports, and we have withheld them because we thought they were inter-departmental. They just indicated how they were conducted, how they did it with a certain person, and how they conducted the "squeeze play". There is quite a pile of them, and for each man there might be seven: so that is 140 reports, in one instance. That is why they have been withheld, and that is why we did not produce them.

The CHAIRMAN: They would also be withheld owing to the fact they would have toll collectors' names on them?

Mr. ARCHER: Not the names, but the number on his badge, and they could trace the name from that.

Mr. JOHNSON: But for what years?

Mr. ARCHER: We have them from 1957, 1958 and 1959.

Mr. JOHNSON: You do not have them for before?

Mr. ARCHER: I could not tell you, off-hand.

Mr. MCGREGOR: I move these reports be produced, Mr. Chairman.

Mr. PIGEON: I second that.

The CHAIRMAN: It is proposed by Mr. McGregor and seconded by Mr. Pigeon. You have heard the motion to produce these, gentlemen, and I am going to ask your opinion on it. What is your opinion: do you want them produced? Indicate in the proper manner.

Motion agreed to, on division.

The CHAIRMAN: We will ask for them to be produced.

Mr. ARCHER: That is fine.

The CHAIRMAN: Is that all right with you, Mr. Archer?

Mr. ARCHER: Yes, that is quite all right.

The CHAIRMAN: When could they be produced?

Mr. ARCHER: It is quite a lengthy thing. I will get in touch with Montreal and get them as soon as possible. I do not know how many hundreds there are. Do we have to produce them in 75 copies? Perhaps we could table one set and have six sets for the Clerk of the Committee?

Mr. CREAGHAN: If he could produce the originals and bring them to the meeting, we could look them over here.

Mr. JOHNSON: They can be reproduced in the record.

The CHAIRMAN: Oh no! Toll collectors' names are on them, or they can be traced.

Mr. JOHNSON: Then we will ask for copies, Mr. Chairman.

Mr. ARCHER: I think we could have six copies made, and we will have them done as soon as possible.

The CHAIRMAN: Any more questions, Mr. McGregor.

Mr. MCGREGOR: No.

Mr. ARCHER: Could I answer a question Mr. McDonald asked, as to whether internal checks were made by the National Harbours Board?

The CHAIRMAN: Yes, Mr. Archer?

Mr. ARCHER: I would like to refer him to page 31 of the proceedings, where there is a list of the internal checks carried on by the National Harbours Board; and I believe Mr. Beaudet had, during the course of the investigation, given some details as to how these checks were carried on.

Mr. McDONALD (*Hamilton South*): There is one thing I would like to ask Mr. Archer. Because of the high discrepancies in 1952, I see certain internal investigations were carried out. Were the R.C.M.P. ever called in for prosecutions, through the investigations of the C.N.R. in 1952?

Mr. ARCHER: To my knowledge, the first time we called the R.C.M.P. in was in 1958.

Mr. SHEA: I might say in connection with that, it was understood when I made this deal with Mr. Ferguson, we did not want to have our men go to court because if they produced evidence in court they would be known. These men are specially trained, and are hand-picked personnel, so it would be a disaster to us to have that happen. It was understood there would be no prosecutions when we were doing this checking, because we did not do it ourselves. We felt it was better for us to do it and get rid of any "bad apples" we had there, otherwise we might lose these men.

Mr. ARCHER: We thought of going to court in 1958 after the investigations, but on the recommendation of our lawyers we did not because we were advised we did not have sufficient evidence to go to court.

Mr. McDONALD (*Hamilton South*): Did you ask your law officers, or did any person ask the law officers, in 1952 whether they could go to court because of the finding of the C.N.R. investigators, because there were 78 per cent discrepancies in their checks?

Mr. ARCHER: I came in in July, 1952, and I do not remember that.

The CHAIRMAN: Any more questions, Mr. McDonald?

Mr. McDONALD (*Hamilton South*): No, not right now.

Mr. FISHER: Mr. Shea, is "random" a fair word to use to describe the checks you made on the Victoria bridge—"random" checks?

Mr. SHEA: No, I would not say "random" checks. We would make "spot" checks to see how things looked. I had a source of information there through the accounting department, and I would keep my eye on how the revenue was holding up.

Mr. FISHER: You yourself kept your eye on how the revenue was doing?

Mr. SHEA: Yes, I conferred very often with the head of the accounting department on that. In fact, he lived in St. Lambert, and he used to see things himself, and he would come over there every day and talk to me about these things.

Mr. FISHER: You seem to have, I would not say a "surprising," but, certainly, a deep interest!

Mr. SHEA: It was my job to protect the revenue.

Mr. FISHER: You travelled a fair amount over to the south side, did you not?

Mr. SHEA: Not personally, but I did sometimes. We were interested in the department of the men as well.

Mr. FISHER: One of the things that is surprising is, despite the fact of being wise after the event, once we have had the upgrading in the amount of revenue from the Jacques Cartier bridge, everybody seems to have known about it. Everybody seems to have felt there was something "haywire" or undercover going on. Did you at any time ever hear or encounter anything that indicated there was something going on at Jacques Cartier bridge that needed investigation?

Mr. SHEA: The only information I had was this—I did not hear any stories—the only thing we heard in that regard—do you remember we went into having tokens?

Mr. FISHER: Yes.

Mr. SHEA: A few years ago these were interchangeable between both the Jacques Cartier bridge and the other. Ours would be taken there, and theirs would be taken on ours, the same as tickets. I had to keep a closer check on it in view of that, but I did not notice anything very special. We did find the gas station at St. Lambert advertised, on a little board outside, that if they sold you ten gallons of gas they would give you so many tokens over the bridge. That means they were getting them from somewhere. Of course, they could buy them and give them away as a premium, but we suspected—and we did not get anything on it when we investigated very thoroughly.

Mr. FISHER: Do you know whether this very case had been drawn to the attention of the Jacques Cartier bridge supervisors or officials, when the tokens were interchangeable?

Mr. SHEA: Yes, they conferred with the C.N.R. men who were charged with these things. I am pretty sure everybody knew about that, because I recall talking to somebody—I do not know whether it was Mr. Ferguson, and whether he had gone, but I think that he had gone before that. I was talking with somebody about these tokens.

Mr. FISHER: Is it fair to assume that the sound operation of the Jacques Cartier bridge would be of interest to you since your revenue from the Victoria bridge was to a degree drawn from the same source?

Mr. SHEA: Yes, that is right.

Mr. FISHER: And if the Jacques Cartier bridge was a thoroughfare for people who were not paying, the assumption would be some of this revenue might be lost to the Victoria bridge?

Mr. SHEA: Yes, but we never interfered with that on that account. We only went there when we were instructed to do so.

Mr. FISHER: You had at least an interest in the efficient operation of the Jacques Cartier bridge?

Mr. SHEA: Yes.

Mr. FISHER: Even though you had no responsibility?

Mr. SHEA: Yes, quite naturally.

Mr. FISHER: But at no time up until, let us say, the investigation in 1957, did your suspicions or anything else become so aroused?

Mr. SHEA: It was nothing extraordinary.

Mr. FISHER: You never had any special conference or discussion at any time with the Jacques Cartier bridge officials?

Mr. SHEA: At any time?

Mr. FISHER: Yes, between 1952 and 1957?

Mr. SHEA: It would be by telephone. I remember, Mr. Clément came to see me—I think it was in 1957 or 1958—with our investigator. I would send him down to make the plan, and he would come back and tell me that he saw “so and so”, and I would say, “All right now, as soon as the men are in town, check the Victoria bridge and check the other too”—because we could not bring them in for a special check—it would cost too much money—and the harbour reimburses us for out of pocket expenses. That was the biggest bill in 1958, I think, that they ever had—maybe \$2,500.

Mr. FISHER: At any time did you ever have dealings with the harbour police that work under the Montreal Harbours Board?

Mr. SHEA: We deal with them in police matters, but not particularly in connection with the bridge. We do a lot of work with the harbour police, but not in connection with the bridge.

Mr. FISHER: I will ask you something that has to do with your opinion as a police officer. Do you feel the Montreal harbour police were too close to the situation and would be too well known to the toll collectors to be an effective scrutinizing or inspection body?

Mr. SHEA: They could not do what we did, because we had to take men from out of town, who were not known.

Mr. FISHER: What was the difference between the kind of plain-clothes investigation and the sort of routine check a police force that is known could make on an operation like the Victoria bridge and the Jacques Cartier bridge?

Mr. SHEA: Somebody asked a question as to whether we ever looked after the accounting end on the Jacques Cartier bridge, to see whether one tallied with the other. I understand the police did certain checks of that kind. They would stop them, and they would know they are police.

Mr. FISHER: You have made the point that the infractions, that is to say, of regulations that you discovered in your investigation on the Jacques Cartier bridge were inordinate in relation to the kind of infractions you get at the Victoria bridge?

Mr. SHEA: In the old days, I would say they were quite similar at times. But in 1957 and 1958 they were extraordinary.

Mr. FISHER: You do not think the one in 1952 is extraordinary?

Mr. SHEA: The number of checks?

Mr. JOHNSON: This is on page 92 of the evidence?

Mr. FISHER: This is page 93. I will read it:

This investigation extended over a period of ten days, from September 3rd to 12th, and covered some 75 crossings of the bridge by the investigators. It disclosed 14 cases where toll collectors detached a coupon from a commutation book which had expired; 17 cases where a detached ticket was accepted; 20 cases where a charge was not made for one or two passengers; and 7 cases where no receipt for cash was issued to the driver of the car.

Now, would you say that is an inordinate number of infractions compared to the Victoria bridge?

Mr. SHEA: No, not terribly. I would say we have found carelessness in the same way. They would pass one or two people in a car—kind of laziness.

Mr. FISHER: What happens on the Victoria bridge when you do find a number of cases of infractions like this? What is the system? One warning, two warnings, and then fired—or what?

Mr. SHEA: If we got three or four men out of twenty, say—I do not think we ever had more than three or four at any one time in the whole “shebang” there. I would confer with the operating officer who was in charge at that

time, and I would say, "This here is bad. We checked him—say—"nine times, and he did not give a receipt. He is highly inefficient." He would say, "I will get rid of him." Then you would discharge him, and the others would be admonished.

Mr. FISHER: It would be that simple! Were the toll collectors on the Victoria bridge covered by a union agreement?

Mr. SHEA: Yes.

Mr. FISHER: What would transpire then?

Mr. SHEA: They would have an official investigation with their representative present.

Mr. FISHER: Were these people usually reinstated after?

Mr. SHEA: No.

Mr. FISHER: They were not?

Mr. SHEA: There may have been the odd case that did not come back to me, but at the time—they never discharged too many at any one time.

Mr. FISHER: In other words, the C.N.R. system or, let us say—

Mr. SHEA: —"practice"?

Mr. FISHER: —practice was when they discovered cases of inefficiency, to fire the man?

Mr. SHEA: Yes.

Mr. FISHER: Under the union agreement—

Mr. SHEA: Mind you, the one who was found wanting badly may have been checked before, in previous years, and he might have shown a little carelessness and would be admonished by his superiors.

Mr. FISHER: To be fair in assessing this, I suppose we would need to know exactly from the C.N.R. file?

Mr. SHEA: Yes.

Mr. FISHER: The C.N.R. recognizes that when you have inefficiency, the thing to do is to get rid of the man, if it is serious?

Mr. SHEA: Yes, if he does not adhere to the regulations and he has been warned.

Mr. FISHER: You usually find, despite union agreements, this is possible?

Mr. SHEA: The evidence would be put there under affidavit. Our man would swear to the information, and it would be accepted.

Mr. FISHER: In any of these cases, in the Victoria bridge, of employees being dismissed, when they were dismissed there would be some union grievance procedure?

Mr. SHEA: In every case there was representation to try and reinstate the man.

Mr. FISHER: Were you usually called in to give information?

Mr. SHEA: Not personally.

Mr. FISHER: Would any of your people be called in?

Mr. SHEA: The investigator would have a man there. The man who was in charge would be there to produce the evidence of his men, and would not show the men. The inspector would be there. This would be gone over with the superintendent first and explained to him what it was about, and then he would set an official date for the investigation, would notify the brotherhood as well, and they would be there.

Mr. FISHER: Did you ever have any examples on the Victoria bridge of these very cases where the union took exception to the fairness or the thoroughness of the investigation? Did they ever quarrel with your facts?

Mr. SHEA: At the investigation they always quarrelled with the facts. They always tried. But management would say, "This is it!" You know there is machinery these people have for appealing, and if they did not see fit to appeal through the proper channels they probably realized they did not have a very good case.

Mr. FISHER: Did you ever go beyond your specific investigation chore in the Jacques Cartier bridge, to give any advice at any time to the port manager or superintendent of bridges in so far as saying, "In my judgment the operation looks pretty bad." Did you ever make any suggestions for improvement?

Mr. SHEA: I did not personally, but our men used openly to discuss the matter with the port manager or his superintendent of bridges. I think there would be only two people would know about this.

The CHAIRMAN: Would you kindly speak louder?

Mr. SHEA: Our man would discuss the pros and cons and, using the experience that he had on our own bridge, would say, "We found our fellows doing this"—not wearing the badge, taking loose tickets, or whatever it might be. We pooled our knowledge.

Mr. FISHER: I wanted to come to this specific case that Mr. Lande was given the responsibility of supervising—what was, in effect, a grievance court.

Mr. SHEA: I am not familiar with that. When did that take place?

Mr. FISHER: Do you remember whether one of your employees was present at that hearing at all?

Mr. SHEA: Do you mean the original hearing or that with Mr. Lande?

Mr. FISHER: Mr. Lande—where they were reconsidering dismissal.

Mr. SHEA: I do not think we were there.

Mr. FISHER: But it was upon your evidence?

Mr. SHEA: Presumably. I do not know whether they augmented it by some of their own checks, by stopping cars on the same toll collector and finding out the man had no receipt.

Mr. FISHER: Let me turn to another area of the Victoria bridge. You have, or had, supervisors of toll collectors there?

Mr. SHEA: Yes.

Mr. FISHER: Did you also check the supervisors?

Mr. SHEA: There was no means of checking them. We had no means of checking the supervisor.

Mr. FISHER: On your own bridge?

Mr. SHEA: No.

Mr. FISHER: It would be important that they were doing an efficient job?

Mr. SHEA: The head one of the supervisors would be taken in by the superintendent. We had already conferred with him, and he would tell him. We would probably suggest, "You had better tell your men to watch this, and find out what they are doing on such and such a thing." The chief supervisor could go round-the-clock, 24 hours, to see what they were doing.

We were "hamstrung" about trucks. You might think you could go and rent a truck and put a couple of plain-clothes men on there as truck drivers. I do not think they would take a chance on that, because they get accustomed to certain companies' trucks going over there. We thought at one time they might be in cahoots with the truck drivers. Let us take a truck company like Baillargeon at Montreal. There would be nothing in that for the driver. It is the company which is paying the tolls, and unless he wanted to "gip" it he had to get a receipt to get the money back from the company.

Mr. FISHER: While your checks on the Victoria bridge were of a continuing nature, they were just occasionally spotted?

Mr. SHEA: Yes.

Mr. FISHER: The important responsibility for the efficiency of the toll collector really rested on the supervisor of toll collectors?

Mr. SHEA: That is right.

Mr. FISHER: What means has the C.N.R. to make sure the supervisor is completely detached from the toll collectors, and is carrying out his role with perfect efficiency?

Mr. SHEA: That would be up to management. That was not part of my responsibility, but I know they were often conferring, especially when we would report something. We had every confidence in them. I remember one man whose name was Efford. We had every confidence in him, because he was not too friendly with the men—and I do not think the men were too friendly with him either!

Mr. FISHER: When you did your investigations of the Jacques Cartier bridge, can you tell us whether the supervisor of toll collectors was consulted beforehand? Did he know the checks were coming in?

Mr. SHEA: I would say not, because we asked nobody outside the manager and, perhaps, Mr. Clément latterly. They would be the only two. We asked nobody should be told, because information would leak out.

Mr. FISHER: But on your own bridge, on occasions when you were making investigations, the supervisor would know, or would he not?

Mr. SHEA: No, we did not tell anybody. We did not tell his boss. My conclusion would be where you have a number of defalcations here, it shows there was not any leak. We certainly would not have had this.

Mr. FISHER: In 1952 when you found this, there could not have been any leak?

Mr. SHEA: No, and I do not think there was any leak in 1957 or 1958 either.

Mr. FISHER: But when you found defalcations, this was a reflection on the efficiency of the supervisor. Is that not correct?

Mr. SHEA: Either that, or on the system.

Mr. FISHER: That is what I wanted to come to. Some of us, in looking at the Jacques Cartier system before automatic machines were installed—and our judgment after the fact is always easier—felt that this was a cumbersome system. Was it identical with the system in use at the Victoria bridge?

Mr. SHEA: I would say, by and large, "yes". It was cumbersome and it was an outmoded system too.

Mr. FISHER: Did you ever make any recommendations as an investigator that the system was cumbersome and outmoded?

Mr. SHEA: In our conversations with management we used to discuss these things. I discussed it with Mr. Henderson, who has been in charge of it for the last few years. He went all through the states, and I noticed it in the United States as well, where they have had automatics there for a long time.

Mr. FISHER: You referred to the system as being cumbersome, or rather I referred to it as being cumbersome, and you have since made use of the word "outmoded". Was there any possibility of reforming that system within itself, aside from going into automatic machinery?

Mr. SHEA: I doubt it very much.

Mr. FISHER: What part did your organization play in the Canadian National Railways investigation of alternative systems, particularly mechanical systems?

Mr. SHEA: I was not in on that, because road transportation took over the operation of the Victoria bridge about four or five years ago. They dealt with us, and we made checks at their special request, too.

Mr. FISHER: One of the points made to us by Mr. Beaudet was that the Jacques Cartier bridge authorities took the lead in investigating automatic machinery, and in getting information and initiating steps.

Mr. SHEA: I cannot answer as to that, but I know we have been at it for some time.

Mr. SMITH: I think Mr. Henderson can answer that when he appears. They were both contacted at the same time, and they conferred in trying to improve the system.

Mr. FISHER: I would assume that there was an interchange of set-up, and I would be interested to know, and I hope Mr. Henderson will be prepared to discuss, the particular point as to the timing.

Mr. SMITH: Mr. Henderson feels that he himself took the lead in this.

Mr. FISHER: We shall be interested in the reasons for the development of this particular move when he comes before us. That is all.

The CHAIRMAN: Now, Mr. Denis.

Mr. DENIS: Since it has been decided that the reports of your investigation will be produced before this committee, would you say that those reports might contain details about persons who are now actually before the courts in Montreal?

Mr. SHEA: I am not familiar with what particular cases are before the courts. Is it 1958 or 1959?

Mr. DENIS: According to a decision of the committee every report of your investigation will be produced before this committee.

Mr. SHEA: Oh!

Mr. DENIS: I suppose you made an investigation of every toll collector for the Jacques Cartier bridge, or most of them?

Mr. SHEA: I would say, "yes".

Mr. DENIS: Is it possible that in those reports there are a lot of details relating to persons who are actually before the courts?

Mr. SHEA: It is possible. I would not say definitely, but it is possible that there would be, if they have been there for any length of time; I think there would be.

The CHAIRMAN: If you will look at page 606 of proceedings No. 9, you will find a record of the checks and investigations of toll collectors, and of investigations made by the Canadian National Railways; and there are samples also of investigators' reports on page 615 and following.

Mr. DENIS: It is perfectly all right, but I am sure that in those reports there are names and details about people or persons who are actually before the courts. The chairman knows as well as the committee that this was the cause of complaint about this committee going on wildly when the accused are before the courts. And in all fairness I want the committee to know that when these secret or confidential reports are produced, that at the same time there will be reports concerning the accused. But it is up to the committee to decide. I just want to be fair.

The CHAIRMAN: We all want to be fair, Mr. Denis. And if you will remember, when this matter was brought up first, Mr. McGregor mentioned that those reports would likely have those names in them.

Mr. DENIS: I have no objection to the reports being produced; but if they are produced, I think it would be unfair to those who are accused. It is not what the committee wants. I do not care if the reports are produced after the cases are disposed of, but it is up to the committee. The committee will have to take its own responsibility.

The CHAIRMAN: Mr. Archer said it would take him quite a while to get these reports.

Mr. DENIS: But suppose he does not take quite a while?

The CHAIRMAN: Well, Mr. Archer said it would take a while. So all we can do is wait and see when these reports come in. When the vote was taken ten were in favour of having the reports tabled, and only three were opposed.

You may rest assured that we do not want to do anything in this committee which will interfere in any way with the trials which are going on in Montreal. We want to see that these accused have fair trials. I know we all feel that way. We do not want to do anything in the way of upsetting justice.

Mr. DENIS: At the same time I am aware that a letter was sent to us by the solicitor for these accused, and that it has been forbidden that this letter be produced here. However, it was a warning from the solicitor for these accused asking the committee to be careful, because these persons were before the court. And in all fairness to his clients, it might be a good thing if you checked and were careful.

The CHAIRMAN: Mr. Denis, I know how you feel. You will remember that at the last meeting of this committee it was decided that all correspondence, telegrams, and so on should be placed before the steering committee before they were brought before this committee. And also that I said at the beginning of this meeting today that this letter from Mr. Ferland, the lawyer for the accused in Montreal, was before Hon. Mr. Fulton, and that we were waiting for his decision as to what was what.

Mr. DENIS: Mind you, when it has been decided to produce these confidential reports, it was not stated here today that these confidential reports of the investigations would be placed before the steering committee first, and that it would make the choice of these reports. All we have before this committee is that these confidential reports would be produced before this committee.

The CHAIRMAN: Would you like to move that they be placed before the steering committee first?

Mr. DENIS: I will leave it up to the committee to decide.

The CHAIRMAN: You may make a motion to that effect.

Mr. DENIS: According to the resolution passed in connection with the confidential reports of the investigation, if any of them should contain the names of personnel accused, they will be produced before this committee.

Mr. PIGEON: I have only one remark to make.

(*Interpretation*): I would only like to make a general remark here, and that is that each member of the committee should speak for himself and not as a representative of someone else. The member for Saint-Denis seems to want to speak on behalf of Mr. Ferland who is a barrister, or a solicitor, and is also a Liberal organizer.

Mr. DENIS: On a point of order, Mr. Chairman, the statement of the member for Joliette has nothing to do with Mr. Ferland or with the Liberal party, or with political matters. I think it is entirely out of order. If there is anyone who wants to make politics out of it—

The CHAIRMAN: Order, order!

Mr. PIGEON: I was only concerned with the public interest.

The CHAIRMAN: Listen, Mr. Denis and Mr. Pigeon: this committee is to investigate the operations of Jacques Cartier bridge and the Victoria bridge; we are not investigating politics. Therefore I am going to ask each and every one of you to keep away from politics, as this is not a political committee.

Mr. JOHNSON: Would Mr. Brassard mind repeating what he said a moment ago?

The CHAIRMAN: No, we do not want it.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Shea said that he did not find it possible to make any checks of trucks and busses on the Jacques Cartier bridge. Did that apply to the Victoria bridge as well?

Mr. SHEA: Yes, the same thing.

Mr. JOHNSON: Did any of the following people know the personnel or the names and addresses, and so on, of the men on your squad: the port manager?

Mr. SHEA: No.

Mr. JOHNSON: The bridge superintendent?

Mr. SHEA: No.

Mr. JOHNSON: The toll collectors' supervisor?

Mr. SHEA: No. In fact I am not quite sure, but I do not think we put the names in. I think we put in just the number.

Mr. JOHNSON: You used just a number?

Mr. SHEA: Yes, but I am not certain of that.

Mr. JOHNSON: You are not certain if they were known personally by some of the officials?

Mr. SHEA: No, no. Nobody knew that.

Mr. JOHNSON: Since these people were regularly making checks of the Victoria bridge, were they known to the toll collectors at the Victoria bridge?

Mr. SHEA: No, no. It was not always the same men.

The CHAIRMAN: On page 615 and following, you will note there the sample reports of Canadian National Railways investigations. There are several reports and they are signed by special agent X, special agent Z, special agent Y, and so on.

Mr. JOHNSON: I believe Phil Corrigan was on that!

The CHAIRMAN: The names were not given—they were given a code letter. Are there any other questions?

Mr. JOHNSON: No, that is all.

Mr. FISHER: How broad is the field of your investigations, Mr. Shea? Are you in the eastern region?

Mr. SHEA: No, the entire system, the United States as well, and our lines in the United States.

Mr. FISHER: Are there any particular problems or situations you encounter which are handled any tougher in Montreal than in most other places across the system?

Mr. SHEA: No.

Mr. FISHER: You would say there is not any extra intensity in Montreal?

Mr. SHEA: No.

Mr. FISHER: We hear of large speculations in the press.

The CHAIRMAN: May I ask Mr. Shea to answer with "yes" or "no", not just to nod his head, because the reporter cannot see him.

Mr. SHEA: Pardon me.

Mr. FISHER: We hear very much about criminal and gangster elements in Montreal.

The CHAIRMAN: Order, order.

Mr. FISHER: In your experience in the Montreal area, does this gangsterism create any special problem?

Mr. SHEA: You mean for us in the Canadian National Railways?

Mr. FISHER: Yes.

Mr. SHEA: It creates the same problem as it does for everybody else. That is why we have to have such a big staff to protect our interests.

Mr. FISHER: Is it more so in Montreal?

Mr. SHEA: No, I would say that of the big cities we have had more trouble in Toronto in a big way than we have had at Montreal.

Mr. FISHER: I am fed up with these childish interjections!

The CHAIRMAN: Please proceed, Mr. Fisher.

Mr. FISHER: May I now ask Mr. Walter Smith if he can tell us anything about the meeting in 1956 at which a number of authorities came together to discuss the problems of the Jacques Cartier bridge and the Victoria bridge and of the whole bridge setup and movement?

Mr. SMITH: No.

Mr. FISHER: When Mr. Henderson comes before us would you please tell him that we would be interested to know why the Canadian National Railways had only one representative at that meeting, and that we would like to know more about the Canadian National Railways in connection with the recommendations of that committee? Further, I would like to know more about the relationship of the Canadian National Railways to the new toll or tariff schedule. From the information we had from Mr. Beaudet, the province was involved in getting in a new toll or tariff schedule.

The CHAIRMAN: Are there any other questions?

Mr. MCGREGOR: May I ask Mr. Shea to elaborate on what he said about Toronto being worse off than Montreal? I would like him to elaborate on that.

Mr. SHEA: I am perfectly willing to answer the question. In Ontario the towns are pretty close together, and they are big towns. But we do not have that problem in Quebec. The city of Montreal is big, but unfortunately in Montreal, where you seem to think there is a terrible lot of crime, we have a penitentiary, and a jail adjacent to the city—the jail is in the city. But once a man is released from prison where can he go? He goes to Montreal, and if he cannot find work, what is he going to do?

But in Ontario—I am talking about organized crime—we have had them steal \$40,000 of cigarettes in one lot; and they do a lot of other things such as station break-ins, where they steal money orders and cash.

Mr. MCGREGOR: Are you referring now to the Canadian National Railways?

Mr. SHEA: Yes, and others have it too. We work hand in hand with the Canadian Pacific Railway, and they have it too.

The CHAIRMAN: Are there any other questions?

Mr. FISHER: From the comments here, some people seem to think that asking for such information is embarrassing. I would like to make the point that human nature is human nature whether it be in Montreal or in Toronto. I do not like the inference from the members from Quebec that to ask questions about the situation in Quebec is none of our business—that is, to those of us who come from outside that province.

The CHAIRMAN: No, you are absolutely right. This committee is set up to investigate the operations of the bridges and anything in connection with it.

Mr. FISHER: I have not imputed motives to Liberals or to Conservatives, in the way it has been done here.

The CHAIRMAN: Order, order! Are there any more questions of Mr. Shea? Or of Mr. Smith? If not, I would like to ask about this document which was tabled by Mr. Archer this morning, and of which each member has a copy. Those who are not here will be given copies by the Clerk.

Might I suggest that this is not to be printed in the record of our proceedings, because I do not think it is necessary? Is that agreed?

Agreed.

There will be no meeting this afternoon although the notices went out for 3 o'clock today also. But we shall meet again on Thursday morning at 9:30 a.m., when the two Canadian National Railways officials will be here—that is on the Victoria bridge.

Mr. JOHNSON: Would it be asking too much to have Mr. Shea with us again on Thursday?

The CHAIRMAN: If there are any questions you wish to ask Mr. Shea, I think you should ask them today.

Mr. JOHNSON: No. We shall be hearing from the Canadian National Railways officials, and we might have questions for Mr. Shea when he could give us some help. So I think he should be around. It is only a suggestion I am making and I have no particular questions in mind.

The CHAIRMAN: Mr. Smith, do not go away for a moment.

Mr. JOHNSON: We have to keep a quorum.

The CHAIRMAN: Mr. Johnson, I think that matter may be left to the steering committee.

At this time I would like to thank Mr. Smith and Mr. Shea for appearing as witnesses today. I think they answered the questions very clearly. I wish to thank you on behalf of the committee.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANaux ET LIGNES TÉLÉGRAPHIQUES

(Page 768)

M. PIGEON: Lors des vérifications faites par vos hommes, est-ce que ces derniers ont découvert des reçus ou des billets falsifiés?

M. PIGEON: Des reçus ou des billets?

M. PIGEON: Est-ce que votre enquête, l'enquête qui a été faite par vos hommes, lorsque vous aviez des doutes sur un percepteur, est-ce que vous la poussiez jusque dans son train de vie?

(Page 770)

M. BRASSARD (*Lapointe*): Je voudrais poser une question à M. Shea.

Est-ce qu'il sait quelle est la position du gouvernement provincial vis-à-vis les agences de la Couronne dans la province de Québec?

M. BRASSARD (*Lapointe*): Je voudrais demander à M. Shea si au gouvernement fédéral, le cabinet ou les ministres interviennent personnellement dans l'administration des agences de la Couronne, comme le Sénat, par exemple?

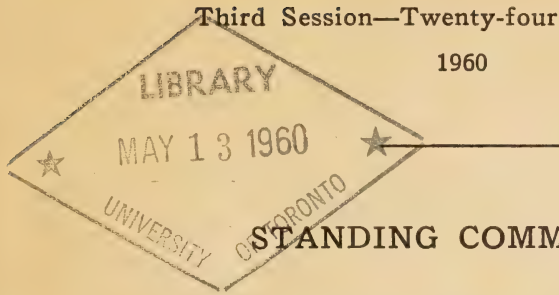
(Page 779)

M. PIGEON: J'aimerais, si possible, que chaque membre du comité ici parle pour lui-même et qu'il n'agisse pas comme l'honorable député de Saint-Denis, qui semble vouloir faire entendre la voix de M^e Pothier Ferland, un organisateur libéral.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960



STANDING COMMITTEE

ON

**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Chairman: GORDON K. FRASER, ESQ.

PROCEEDINGS

No. 13

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

THURSDAY, APRIL 28, 1960

TUESDAY, MAY 3, 1960

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: Gordon K Fraser, Esq.

Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

Allmark,	Drysdale,	McPhillips,
Asselin,	Dumas,	Monteith (<i>Verdun</i>),
Badanai,	Fisher,	Pascoe,
Baldwin,	Garland,	Payne,
Bell (<i>Saint John-Albert</i>),	Grills,	Phillips,
Bourbonnais,	Herridge,	Pigeon,
Bourget,	Horner (<i>Acadia</i>),	Pratt,
Bourque,	Horner (<i>Jasper-Edson</i>)	Rapp,
Brassard (<i>Chicoutimi</i>),	Johnson,	Rogers,
Brassard (<i>Lapointe</i>),	Keays,	Rynard,
Browne (<i>Vancouver-</i>	Kennedy,	Smith (<i>Calgary South</i>),
<i>Kingsway</i>),	Lessard,	Smith (<i>Lincoln</i>),
Bruchési,	MacInnis,	Smith (<i>Simcoe North</i>),
Cadieu,	MacLean (<i>Winnipeg</i>	Thompson,
Campbell (<i>Stormont</i>),	<i>North Centre</i>),	Tucker,
Campeau,	Martin (<i>Essex East</i>),	Valade,
Chevrier,	Martini,	Wratten—60.
Chown,	Michaud,	
Creaghan,	McBain,	
Crouse,	McDonald (<i>Hamilton</i>	
Denis,	<i>South</i>),	
Deschatelets,	McGregor,	

Eric H. Jones,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, April 28, 1960.
(21)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Asselin, Badanai, Bourget, Brassard (*Chicoutimi*), Brassard (*Lapointe*), Browne (*Vancouver-Kingsway*), Chevrier, Creaghan, Deschatelets, Fisher, Fraser, Horner (*Acadia*), Howe, Kennedy, Lessard, Martini, McGregor, McPhillips, Pascoe, Payne, Phillips, Pigeon, Pratt, Smith (*Lincoln*), and Wratten—(25).

In attendance: Mr. Walter Smith of Ottawa, Executive Representative, Canadian National Railways.

The Committee resumed its consideration of the toll-collection operations at the Jacques-Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

The Chairman reminded Miss Paulette Cyr, the interpreter, that she continued to be under oath.

The Committee unanimously agreed with the request for the withdrawal by Messrs. McGregor and Pigeon, respectively the mover and the seconder, of their motion which had been carried on April 26, regarding the production of confidential reports of the Canadian National Railways' investigations on toll collectors on the Jacques-Cartier Bridge.

The Chairman then addressed the Committee and expressed his concern, in the light of the questioning and answers of witnesses during recent meetings, that during subsequent meetings unintentional references to toll collectors or to the charges which some of them are now facing before the courts might prejudice either their defence or their prosecution. He stated that he had consulted the Law Clerk of the House who had given his opinion that the continuance of the investigation by the Committee might prejudice the defence or the prosecution of accused toll collectors.

Thereupon it was moved by Mr. Howe, seconded by Mr. Payne, that the Committee do now adjourn to reconvene at the call of the Chair.

Following debate, with the concurrence of his seconder, Mr. Payne, Mr. Howe proposed that his motion be amended to read as follows:

That the Committee do now adjourn until next Tuesday, May 3; and that, in the meantime, the Chairman and the Steering Committee obtain the advice of the Minister of Justice on the propriety of continuing these meetings.

The said amended motion was carried on division, YEAS 21; NAYS: 1.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings.

At 10.03 o'clock a.m. the Committee adjourned until 9.30 o'clock a.m. on Tuesday, May 3, 1960.

TUESDAY, May 3, 1960.
(22)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Allmark, Baldwin, Bell (*Saint John-Albert*), Browne (*Vancouver-Kingsway*), Campbell (*Stormont*), Chevrier, Crouse, Denis, Deschatelets, Drysdale, Fisher, Fraser, Horner (*Acadia*), Johnson, Martin (*Essex East*), Martini, McBain, McGregor McPhillips, Monteith (*Verdun*), Pascoe, Phillips, Pigeon, Rapp, Rogers, Smith (*Calgary South*), and Tucker—(27).

In attendance: Dr. P. M. Ollivier, Law Clerk of the House, and Mr. Walter Smith of Ottawa, Executive Representative, Canadian National Railways.

The Committee resumed its consideration of the toll-collection operations at the Jacques-Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

The interpreter, Miss Paulette Cyr, continued to be under oath.

The Chairman reported on the deliberations of the Subcommittee on Agenda and Procedure on May 2nd when it consulted with the Minister of Justice and, following Mr. Fulton's withdrawal, agreed to recommend that consideration of the toll-collection operations on the Jacques-Cartier Bridge and the Victoria Bridge do proceed.

It was then moved by Mr. Pigeon, seconded by Mr. Drysdale,
That the Committee continue with its considerations.

Following debate, it was moved by Mr. Chevrier, seconded by Mr. Deschatelets,

That Dr. Ollivier be heard to give his opinion.

The motion by Mr. Chevrier was resolved on division, YEAS: 12; NAYS: 4.

Dr. Ollivier then addressed the Committee on the *sub judice* problem facing it.

Following debate, the Committee reverted to the earlier motion, by Mr. Pigeon; and debate thereon continuing, at 11.00 o'clock a.m. the Committee adjourned until Orders of the Day are reached in the House on the afternoon of this day.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings.

AFTERNOON SITTING

TUESDAY, May 3, 1960.
(23)

At 3.25 o'clock p.m. this day, the Standing Committee on Railways, Canals and Telegraph Lines resumed its consideration of the toll-collection operations at the Jacques-Cartier Bridge and at the Victoria Bridge, Montreal, Quebec, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Baldwin, Bourbonnais, Bourget, Browne (*Vancouver-Kingsway*), Campbell (*Stormont*), Chevrier, Denis, Deschatelets, Drysdale, Fisher, Fraser, Horner (*Acadia*), Howe, Johnson Keays, Lessard, Martin (*Essex East*), Martini, McBain, McGregor, McPhillips, Monteith (*Verdun*), Pascoe, Phillips, Pigeon Tucker and Wratten—(27).

In attendance: The same as at the morning sitting of this day.

The interpreter, Miss Paulette Cyr, continued to be under oath.

Debate was resumed on the motion of Mr. Pigeon at the morning sitting of this day, that the Committee continue with its considerations.

It was moved by Mr. Pigeon, seconded by Mr. Monteith (*Verdun*),

That the letter from Mr. Pothier Ferland dated April 23, 1960 to the Chairman, be not now read.

Following debate on Mr. Pigeon's motion regarding Mr. Ferland's letter, with the agreement of the Committee and the seconder, Mr. Pigeon withdrew his motion.

The Committee agreed with the Chairman's suggestion that the said letter from Mr. Ferland be given further consideration by the Subcommittee on Agenda and Procedure.

The Committee reverted to Mr. Pigeon's earlier motion at the morning sitting of this day, that the Committee continue with its considerations. Following further debate thereon, the said motion was carried on division; YEAS: 16; NAYS: 7.

The Committee agreed that the following officials of the Canadian National Railways be heard as witnesses on Thursday, May 5, namely, Mr. Lionel Côté, Q.C., Assistant General Solicitor, and Mr. L. J. Henderson, General Manager of Road Transport.

At 4.50 o'clock p.m. the Committee adjourned until 9.30 o'clock a.m. on Thursday, May 5, 1960.

Eric H. Jones,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, April 28, 1960.

9.30 a.m.

The CHAIRMAN: Gentlemen, I see a quorum. On Tuesday last Mr. McGregor moved, and Mr. Pigeon seconded the motion, that certain papers regarding the investigation by C.N.R. officials be produced. I have spoken to Mr. McGregor since, and I believe he is willing to withdraw that motion. Is that right, Mr. McGregor?

Mr. MCGREGOR: I understood there was nothing of any importance in the letters; so if there is nothing of importance I wish to withdraw the motion.

Mr. PIGEON: I agree to that.

The CHAIRMAN: Gentlemen, what is your opinion on that: are you willing to drop the motion?

Agreed.

The CHAIRMAN: None opposed? I therefore declare that that motion is dropped.

Now, gentlemen, this committee has been sitting since and including March 14 of this year on the investigation into the operation of the Jacques Cartier bridge at Montreal. A great deal of very useful information has been obtained from the witnesses of the National Harbours Board who appeared before us. However, in the city of Montreal now, six accused former toll collectors are on trial. Their case, I understand, has been called for Tuesday of this week and will likely continue for some little time.

If we continue our sittings here, there is every possibility that a member of this committee or one of the witnesses might say something, unintentionally, that might have a bearing on the case in Montreal. I therefore feel—and I know that you gentlemen probably feel as I do—that in all fairness to the accused in Montreal, now that their trial has commenced, it would not be right for our investigation to continue while the trial is in progress—this is a democratic country and a person is innocent until proven guilty. These men should have a fair trial and should not be tried in two courts at the same time, the court in Montreal and the high court of parliament.

Therefore, gentlemen, I would welcome a motion for this committee to adjourn now, to reconvene at the call of the Chair.

Mr. HOWE: Mr. Chairman, I would be very pleased to make that motion.

Mr. PAYNE: I will second it.

Mr. MCPHILLIPS: The thing is open for discussion now, Mr. Chairman?

The CHAIRMAN: Yes.

Mr. PAYNE: Have these men elected their mode of trial? Are they going under preliminary hearing now, or are they taking trial by magistrate?

The CHAIRMAN: I understand it is a preliminary hearing.

Mr. CHEVRIER: Mr. Chairman, on the motion there is only one short statement I would like to make, speaking for myself and those of us who have sat on this committee on the side of the opposition.

We think that this is the right thing to do, and it simply confirms—and I say this without any ulterior motive—the attitude which the committee took at the outset and the attitude which we took all along. It seems to us it would be contrary to the principles of British justice that, not only the defence, but also the prosecution—

The CHAIRMAN: I agree with you on that.

Mr. CHEVRIER: Because I believe that a further continuation of this inquiry would hamper the prosecution in its efforts to proceed with the trial, as it would also the defence, as set out in the letter from Mr. Ferland.

The CHAIRMAN: Thank you, Mr. Chevrier.

Mr. McPHILLIPS: I am in receipt—and I suppose all committee members are—of this letter from Mr. Pothier Ferland.

The CHAIRMAN: Yes.

Mr. McPHILLIPS: This seems to be just a repetition of a previous letter he wrote.

The CHAIRMAN: Yes. But that has no bearing on this at all. What the lawyer for the accused in Montreal had to say had no bearing on the motion that I asked for today, because it was decided before that that this committee should at no time bring up anything in connection with toll collectors.

Mr. McPHILLIPS: That is individuals, yes; but what we are doing now is quite contrary to the view of the Minister of Justice previously.

The CHAIRMAN: No. If you look at proceedings No. 12 you will find there that when Mr. Shea was before us on Tuesday last we got pretty close to the border line. It is extremely hard to keep members or witnesses away from mentioning these former toll collectors.

Mr. McPHILLIPS: Maybe; but this point was up before and, as I understand the advice—at least, as you gave it to us—from the Minister of Justice, provided we did not seek to subpoena one of these men or put them on the record by name, we could continue.

The CHAIRMAN: Continue, yes, as long as we did not get into toll matters and bring in the names of individual collectors.

Mr. McPHILLIPS: Well, is there any suggestion that we will have to bring their names in?

The CHAIRMAN: Their names have been brought in. On one or two occasions they have been mentioned by witnesses, and we are getting on extremely dangerous ground. In all fairness, I feel that this motion should go through.

Mr. HOWE: Question.

The CHAIRMAN: What is your opinion on this, gentlemen? All those for the motion?

Mr. ASSELIN: (*Interpretation*): I would like to know, Mr. Chairman, at what time the investigation will be continued?

The CHAIRMAN: Not until this trial is over in Montreal. I think, in all fairness to the men accused, we should give them at least that length of time. We do not know how long that will be. It might be a very short trial.

Mr. ASSELIN: It could take two years, too.

The CHAIRMAN: It might, and it might not. Some trials that we have thought would take two years have only taken a week or so.

Mr. ASSELIN (*Interpretation*): Did the Minister of Justice indicate that we should stop our investigation only for the preliminary hearing, or for the trial?

The CHAIRMAN: The Minister of Justice did not direct me in this; I went to the law clerk, Mr. Ollivier.

Mr. CHEVRIER: As I understand this, Mr. Chairman, this is a motion to adjourn to the call of the chair?

The CHAIRMAN: That is right—to the call of the Chair.

Mr. PIGEON: May I ask a question? (*Interpretation*): Even if we do not name those accused, is there no possibility of continuing?

The CHAIRMAN: I do not think that it would be wise, Mr. Pigeon, because we got very close to the border line on Tuesday; and there were one or two other occasions where we had witnesses before us—I think Mr. Clément on one occasion mentioned a man's name. We cannot do that: we should not do it.

Mr. PIGEON (*Interpretation*): Just one last question. To arrive at this decision, was there any basis in the letter sent by the solicitor for the accused?

The CHAIRMAN: No, Mr. Pigeon. When this committee was set up it was felt, at that time, that we could continue until such time as the trial really began. The trial, I now understand, started on Tuesday. Therefore, it is thought that we should stop our investigation here, for the time being.

Mr. MCGREGOR: Mr. Chairman, I would like to ask—do I understand that the Minister of Justice has not been consulted on this?

The CHAIRMAN: I consulted the law clerk of the house.

Mr. MCGREGOR: Never mind the law clerk; I mean the Minister of Justice. I have been supporting this on the ground that it was the wish of the Minister of Justice that we did not go on with this. Unless the Minister of Justice was consulted and suggested that we should not do it, I am opposed to it.

The CHAIRMAN: It was the law clerk of the House of Commons.

Mr. MCGREGOR: Never mind the law clerk; let us see what the Minister of Justice has to say.

Mr. ASSELIN: I agree. It is very important to have the opinion from the Minister of Justice before we go on with this question.

Mr. CREAGHAN: Mr. Chairman, would it be possible to adjourn for a very, very short time, and for you to call a meeting of your steering committee to discuss the possibility of continuing or not?

The CHAIRMAN: Will you pass the motion now, with the suggestion that I call a meeting of the steering committee?

Mr. MCPHILLIPS: I think it should go further than that: the adjournment should be subject to having the matter referred to the Minister of Justice. I am not prepared to accept the opinion of the law clerk of the House of Commons against the statement of the Minister of Justice—certainly not.

Mr. MCGREGOR: I cannot understand this. This may be adjourned indefinitely. This looks to me like a case of whitewash.

The CHAIRMAN: It is not whitewash.

Mr. MCGREGOR: Then if it is not, what is it?

The CHAIRMAN: It is pure, common decency.

Mr. MCGREGOR: All right, then let the Minister of Justice tell us that.

Mr. MCPHILLIPS: We cannot go in the face of his advice.

Mr. PIGEON: I have a last question to ask. (*Interpretation*): Do you believe that by adjourning we are showing that the committee is inferior and that it is losing its parliamentary rights?

Mr. MCGREGOR: Hear, hear!

The CHAIRMAN: No, it is not, because if the hon. member remembers different cases in the House of Commons, answers to questions have been refused owing to the fact that court cases were pending, or were on at the time the question was being asked—royal commissions were on, or something else of that nature. Therefore the questions could not be answered in the house.

Mr. PIGEON (*Interpretation*): What I want to point out here is that I do not want the Canadian people to have the impression that we have no right to watch over a point, a matter that is being studied by the courts.

The CHAIRMAN: I believe that you will agree with me, Mr. Pigeon, that we have every right to check into everything possible, and you can rest assured that as soon as this trial is over we will again investigate the operation of the Jacques Cartier bridge. This matter is not closed. We would only be adjourning for the time being, to see how this case goes in Montreal; then we would open this committee again. We would sit again immediately it is over.

Mr. MCGREGOR: We have a list of witnesses who are supposed to be called. I cannot see what basis we can offer or what excuse we can give for not calling these witnesses, because these witnesses are certainly not going to be implicated in a court case.

The CHAIRMAN: It is not a matter of being implicated in a court case.

Mr. MCGREGOR: Then what is it?

The CHAIRMAN: It is because of remarks made by members of this committee in regard to accused in Montreal. You received a letter from Mr. Ferland of Ottawa in regard to statements made by Mr. Grant Campbell a member of this committee.

Mr. McPHILLIPS: Mr. Ferland is not from Ottawa; he is from Montreal. I think he has a lot of nerve to make remarks about what was said by a member of parliament in this committee. I think this whole thing has been brought about because of Mr. Ferland's letter, and I think it is absolute rot.

The CHAIRMAN: When this committee began its proceedings it was definitely understood that, if at all possible, we should keep away from these toll collectors, whether the present ones, or those accused, or those that were going to be arrested. We have tried to do so. But we have now found that it is almost impossible to do it. Therefore, I feel, as chairman of this committee, that this committee should adjourn at the present time.

Mr. ASSELIN: Could we not adjourn the committee until next week, and then ask the Minister of Justice to come before the committee to give us his advice.

The CHAIRMAN: Well, I doubt if the Minister of Justice within a week could tell how the case was going in Montreal. We would have to have an adjournment of longer than a week.

Mr. McPHILLIPS: That is what you say, Mr. Chairman. But the Minister of Justice has not indicated that it is because this preliminary inquiry is proceeding that we should stop. That is your view. You are putting it to the committee. I do not agree with you at all. I think it is only proper ethics that we should ask the minister again, because he is the one who told us that we could go ahead.

Mr. HOWE: I would be quite willing to change my motion, that this matter be referred to the steering committee, and advice given to the committee by the Minister of Justice, on whether we should proceed any further or not at this time.

The CHAIRMAN: You mean that we should adjourn to the call of the Chair and that the matter be referred to the steering committee?

Mr. MCGREGOR: Oh no!

Mr. PIGEON: I have only a last remark to make.

(Interpretation): I thought that by the very fact that it had been proven there were thefts, that this allowed the members of the parliamentary committee to continue.

The CHAIRMAN: Certainly.

Mr. CHEVRIER: That is exactly the difficulty about the whole matter. Mr. Pigeon had said by the fact that it has been proven that there are thefts—well, these people are accused of that theft, but there is no proof; and until they are proven guilty, I think it is the basis of British justice that they are not guilty, and I certainly do not want to put myself in the position that I am defending people of this character; but I also want to see that no matter what is done here we should not hamper the prosecution as well as the defence. Mr. Pigeon's statement is certainly not an accurate one, because that has not been proven.

The CHAIRMAN: We do not know.

Mr. CHEVRIER: That is the point.

Mr. PIGEON: That is true.

Mr. CHEVRIER: That is exactly what the defence can use.

Mr. PRATT: There is a reflection on these men from the very fact that they were arrested.

Mr. BROWNE (*Vancouver-Kingsway*): It was on the advice of the Minister of Justice that we proceeded in the first place; and I think before we change our course we should at least consult the Minister of Justice to find out what his view is about it.

Mr. CREAGHAN: Can we not decide by agreement here today that we do not sit today, and that our next scheduled meeting be on Tuesday next when the senior prosecutor or the Minister of Justice might attend here and explain what is right?

Mr. ASSELIN: I will move a motion.

The CHAIRMAN: There is a motion already before the Chair.

Mr. McPHILLIPS: Yes, but the mover won't amend it.

Mr. CREAGHAN: Might I suggest then that the main motion be withdrawn?

The CHAIRMAN: I have not heard that the main motion has been withdrawn.

Mr. HOWE: Have you made an amendment?

Mr. CREAGHAN: I will if you will withdraw your amendment.

The CHAIRMAN: Mr. Howe made the main motion.

Mr. CREAGHAN: Yes, so I understand.

Mr. HOWE: I will amend my main motion.

Mr. CHEVRIER: Could we have the main motion again?

The CHAIRMAN: The main motion was that this committee now adjourn to reconvene at the call of the Chair.

Mr. MCGREGOR: I challenge the right of this committee. We are here under the authority of the Minister of Justice.

The CHAIRMAN: No, we are not.

Mr. MCGREGOR: Oh yes, we are. We are here under the authority of the Minister of Justice, and it is quite legal for us to carry on this business until we get authority from the Minister of Justice that we are not legally carrying on. So I suggest we are out of order.

The CHAIRMAN: No, we are here under the authority of parliament.

Mr. MCGREGOR: On the advice of the Minister of Justice.

The CHAIRMAN: On the authority of parliament.

Mr. MCGREGOR: No, on the advice of the Minister of Justice.

The CHAIRMAN: I can hear you, Mr. McGregor.

Mr. MCGREGOR: All right. Let us not try to mix words up. Let us tell the truth about this thing.

The CHAIRMAN: Your motion, Mr. Howe?

Mr. HOWE: I wish to amend it, that the committee do now adjourn until next Tuesday, May 3rd, and that, in the meantime, the chairman and the steering committee obtain the advice of the Minister of Justice on the propriety of continuing these meetings.

The CHAIRMAN: You mean that we should adjourn now?

Mr. HOWE: Yes, that we do not sit today, but adjourn until next Tuesday.

The CHAIRMAN: And reconvene next Tuesday?

Mr. HOWE: That is right, and that in the meantime the steering committee get the advice of the Minister of Justice on the propriety of continuing these meetings.

The CHAIRMAN: All right. The clerk will read the motion as amended.

The CLERK OF THE COMMITTEE: The motion as amended is that the committee do now adjourn until next Tuesday, May 3rd; and that, in the meantime, the chairman and the steering committee obtain the advice of the Minister of Justice on the propriety of continuing these meetings.

The CHAIRMAN: All those in favour of the motion will kindly indicate? Twenty-one. Those opposed? One.

Motion agreed to.

Thank you very much.

TUESDAY, May 3, 1960.

9.30 a.m.

The CHAIRMAN: Gentlemen, I see a quorum.

On Thursday last this committee moved the following amended motion:

That the committee do now adjourn until next Tuesday, May 3—
—that is, today—

—and that, in the meantime, the chairman and the steering committee obtain the advice of the Minister of Justice on the propriety of continuing these meetings.

Your steering committee met yesterday, and the Hon. E. D. Fulton attended. The subcommittee consulted with him informally in regard to the above-mentioned problem.

The minister explained that it is not his function as Minister of Justice to advise the committee as to how it should conduct its proceedings. He did say, however, that as Attorney General of Canada he had a concern to see that the trial of the accused toll collectors before the courts was not prejudiced. Finally he stated that the committee must be the judge as to whether it was proper for them to proceed or not. The minister then withdrew from the meeting and debate ensued.

The subcommittee agreed to recommend that its consideration of the toll collection operations on the Jacques Cartier bridge and the Victoria bridge do proceed.

Now, gentlemen, it is your decision to make, as to whether this committee should continue its investigation while the court proceedings are in progress in Montreal. I understand that one case comes before the court tomorrow.

If you decide that this committee continue now it is certainly going to be very hard for your chairman to decide what questions can and what cannot be asked. It is also going to be hard to decide what answers can be given and what cannot. Or you may decide to adjourn for two or three weeks and see just what the court will decide.

My thought last week was, if we adjourned for a couple of weeks, then, perhaps, we would not have the restrictions on us that are necessary at the present time.

I know that not one of you would wish that anything be said in this committee that would in any way prejudice the court cases, for the defence or the prosecution.

Gentlemen, it is in your hands, and this morning Dr. Ollivier, the law clerk of the House of Commons, is present to answer any questions you may wish to ask of him.

Mr. JOHNSON: On a point of order, Mr. Chairman, before we start fighting—

The CHAIRMAN: I beg your pardon?

Mr. JOHNSON: Before we start arguing—not you and myself, but a few of the members—you just said a case would be heard in court tomorrow.

May I add, the case will not be heard tomorrow, but judgment will be rendered in one case tomorrow, which is altogether different. It might have a bearing on what we may have to further discuss.

Mr. PIGEON (*Interpretation*): I would suggest, Mr. Chairman, that the committee continue, just the same, in its work.

The CHAIRMAN: Any other suggestions, gentlemen?

Mr. McPHILLIPS: Mr. Chairman, what was the last sentence you read with regard to the steering committee?

The CHAIRMAN: I said:

The subcommittee agreed to recommend that the committee's consideration of the toll collection operations on the Jacques Cartier bridge and the Victoria bridge do proceed.

Mr. McPHILLIPS: "Do proceed"?

The CHAIRMAN: Yes, "Do proceed."

Mr. McPHILLIPS: That is the steering committee recommendation?

The CHAIRMAN: Yes, but it was not unanimous.

Mr. JOHNSON: Or was it?

Mr. McGREGOR: Just a minute, Mr. Chairman. You say, "It was not unanimous." If it was not unanimous, what was it? I would like to know.

The CHAIRMAN: Well, every member was not quite in agreement.

Mr. McGREGOR: Well now, let us get a clear answer to this question. You say it was not unanimous. There was no vote taken. On what authority do you speak?

The CHAIRMAN: I speak on the authority of the chairman, because I could see what was taking place.

Mr. PIGEON: I maintain my suggestion just the same.

The CHAIRMAN: Is that a motion?

Mr. PIGEON: Yes.

Mr. CHEVRIER: Before the motion is put, would it not be in order if we heard the law clerk, or the counsel for the committee? I think at the last meeting you stated and suggested that he be consulted.

The CHAIRMAN: I did consult the law clerk.

Mr. CHEVRIER: I think it would be in order if we were to hear what he has to say, particularly since the Minister of Justice has felt this is a matter for the advice, if any, of counsel for the committee.

The CHAIRMAN: If that is your wish—

Mr. PIGEON (*Interpretation*): I have a great deal of respect for the legal advisor who is here, but I object to that course.

Mr. CHEVRIER: Your objection is to what—to hearing the law clerk or counsel of the committee?

Mr. PIGEON: Yes.

Mr. CHEVRIER: The record will not get your bow of the head.

Mr. PIGEON (*Interpretation*): As I said before, I have a great deal of respect for Mr. Ollivier, the legal advisor who is here, but I object to his speaking on the subject. I believe the members of the committee have every authority to do so.

The CHAIRMAN: What is your opinion, gentlemen? Do you want to hear what Dr. Ollivier has to say?

Mr. CHEVRIER: Mr. Chairman, I think we should hear from the law clerk, to ascertain what his views are, and I so move.

The CHAIRMAN: Have you a seconder for that?

Mr. DESCHATELETS: Yes.

The CHAIRMAN: Those in favour of hearing Dr. Ollivier, kindly indicate in the usual manner.

Those opposed?

Motion agreed to.

Dr. Ollivier?

Mr. JOHNSON: Mr. Chairman, on a point of order, again, I want to point out here to all the members, and to the press, that Mr. Ollivier will not be making a ruling, and that the committee is sovereign in its decision, that we are not bound by Mr. Ollivier's opinion.

Mr. McPHILLIPS: Hear, hear!

Mr. JOHNSON: I stress the point, it is only an opinion, with all due respect to Mr. Ollivier.

The CHAIRMAN: I think you will remember, Mr. Johnson, that when I opened this meeting I said it was your decision, as a committee, to decide what is to be done.

Mr. Ollivier?

Dr. P. M. OLLIVIER (*Law Clerk and Parliamentary Counsel*): Gentlemen, I will not be very long because I think the doctrine is easy enough. I agree with the Minister of Justice that it is the application of the doctrine that is very difficult, and I understand your objection because it is up to the committee to decide whether they will hear this, and how far they will go.

The doctrine, as I say, is very simple. I quoted it last year when I appeared before the Indian Affairs committee. It is found in all the authors and, amongst others, Campion, who says:

A matter, whilst under adjudication by a court of law, should not be brought before the house by a motion or otherwise.

Also:

Matters awaiting the adjudication of a court of law should not be brought forward in debate—

Then in Beauchesne:

Besides the prohibitions contained in standing order 41, it has been sanctioned by usage both in England and in Canada, that a member while speaking, must not:—

—amongst other things—

—refer to any matter on which a judicial decision is pending.

Many years ago—I think it is about thirteen years ago—there was a motion made in the House of Commons on human rights. At that time Mr. Diefenbaker suggested that the question be referred to the Supreme Court for decision. This was ruled out of order. I will read a few lines of the Speaker's decision on that subject at that time:

This amendment actually proposes that the Supreme Court be asked to consider the same matter that the main motion proposes to refer to a select committee. It seems to me that both those propositions cannot be approved at the same time by the house. If the constitutional situation of human rights is submitted to the Supreme Court it thereby becomes sub judice and cannot be considered by the committee until the court has given its decision. The question cannot be before two public bodies at the same time. For this reason I feel bound to rule the amendment out of order.

To my mind, the test in this case is simply as to whether your discussions will prejudice the case of the accused in Montreal. That is a thing you have to judge. I cannot judge for you, and I would not attempt to do it. But if I am allowed to give you my own personal experience, I would say this, that I have not read anything that has gone on before the courts when I have attended this committee a few times—and I have read the records of the committee hearings. My reaction is that those fellows are as guilty as sin—and that is what I have concluded because your committee has discussed that matter all these days. If it has influenced me that way, would it not influence a judge or jury in the same manner?

Mr. DRYSDALE: Mr. Chairman,—

The CHAIRMAN: Mr. Johnson first.

Mr. JOHNSON: Dr. Ollivier, you have just mentioned you have followed the proceedings of this committee. Would you be in a position to tell the committee what is the exact scope of the cases before the court? I mean, what is the accusation before the court?

Dr. OLLIVIER: I do not know what the accusations are before the court, because I have not followed the court proceedings; but I know what the accusation is before this committee.

Mr. JOHNSON: How could you then say the questions that we are asking here, or the statements that are being made here, do have a bearing on the case and especially on the accusation?

Dr. OLLIVIER: Those fellows are accused of having taken money from the till and putting it in their own pockets.

Mr. JOHNSON: Could you then quote any question or statement before the committee that deals with this particular matter; namely any statement or any question that would imply that those six accused have actually done something improper or criminal? Could you cite me any of the questions or statements? -

Dr. OLLIVIER: I have not the proceedings in front of me, and it is just a general impression. I did not take any notes of any particular question, but I have no doubt of what those fellows are accused, and my general reaction—not from any special item or special sentence that was made—is those fellows are guilty.

Mr. JOHNSON: Do you actually know that the court proceedings are being held before a judge alone, without a jury?

Dr. OLLIVIER: Well, I think it would influence a judge less than it would influence a jury, if that is what you mean.

But there is another point. You have not mentioned anybody in particular—well, perhaps, once or twice—but to my mind that does not change the situation very much.

Supposing out of six accused there was one who was completely innocent. He would be found guilty by implication or association, just by the very fact you do not mention names.

Mr. DRYSDALE: How do you justify that conclusion? Mr. Chairman, I think Dr. Ollivier put the matter very clearly when he said that this question of *sub judice* dealt with the matter under adjudication. I think that, very simply, the matter under adjudication is the case of six toll collectors who have been charged with theft. I think that is the area we must stay clear of, and Dr. Ollivier has given what he said was his opinion.

As Mr. Johnson has pointed out, there are no references in the proceedings so far to indicate that we have infringed on what is going on in Montreal, and I suggest, having heard Dr. Ollivier's opinion, that it is now up to the committee to decide whether or not we should proceed. I feel that under your very capable chairmanship we can get on to matters that are dealing purely with administration.

We have a large selection of witnesses to choose from, and I cannot see that there is any danger of infringing on those particular matters. I do not think it has been done, despite the allegations of this lawyer from Montreal, and I do not see that it will arise. I feel, and I have every confidence, that we can proceed in that direction, Mr. Chairman, and accordingly I would move that the committee proceed with the—

The CHAIRMAN: We have a motion to that effect before the committee.

Mr. DRYSDALE: I will second Mr. Pigeon's motion.

Mr. PIGEON: Mr. Chairman, I have a remark to make. All newspapers in the country wrote an article—newspaper men—on the situation we have in Montreal on the Jacques Cartier bridge, and I remember—pardon me if I continue in French—I remember the newspaper, *La Presse*—(*Interpretation*) I remember a caricature in *La Presse*, for instance, a drawing in which we read the *Dance of the Millions*. I would like to have an opinion from Dr. Ollivier here as to what he thinks of what was written in the newspapers in articles, speculations, and so on, throughout the country.

Dr. OLLIVIER: I do not believe that I should be asked to answer that question, because I think your opinion is just as good as mine is on that. Of course, I think it applies also to newspapers, that they should not prejudice cases. If the accused has a complaint to make about a newspaper, it is up to him to sue the newspaper, if he thinks that newspaper has prejudiced his case. Newspapers have not the right to prejudice a case either.

Mr. PIGEON: Mr. Chairman, I have a motion to place before this committee.

The CHAIRMAN: I think you have placed the motion, and it has been seconded. Mr. Martin is speaking on the motion, I imagine—and then Mr. McPhillips.

Mr. MARTIN (*Essex East*): Mr. Chairman, you will recall that at the last meeting I pointed out to the committee that one of the solicitors in this matter had, in a letter which was published in *Le Devoir* of that day, taken objection to the simultaneous proceedings.

The CHAIRMAN: That was a week and a half, or so, ago.

Mr. MARTIN (*Essex East*): Yes. I asked for an explanation of why that letter had not been brought before the committee, and you very courageously and frankly dealt with the situation.

I suggest that our responsibility in this matter is a very great and very serious one. Parliament has often been referred to as the highest court in the land; but that has often been characterized and explained as not meaning that parliament does conflict in the exercise of the judicial prerogative in the judicial arm of government.

Mr. DRYSDALE: No conflict!

Mr. MARTIN (*Essex East*): Mr. Drysdale said a decision in this matter was one that rests with this committee. I argue with confidence that that is not the case. Under our practice, under our procedures and under our traditions, the decision is one that rests with the chairman.

Dr. Ollivier, the law officer of the crown—Mr. Johnson shakes his head; well, I bow to his great experience in these matters; but he will find, if he listens—

Mr. JOHNSON: You are referring to my great experience? I would like some citation from you.

Mr. MARTIN (*Essex East*): If he would like to listen to what I say, he will see that my submission is right. In a matter like this I am sure that none of us wants to be activated by any motives other than motives of the highest order, because the principle of human justice is involved in the proceeding that is now before the committee.

The law officer of the crown has stated that the rule, both in *Beauchesne* and in *Campion*, is that while judicial proceedings are pending, the matter shall be regarded as one that is *sub judice*. The rules and the practice also establish that it is the chairman who, in the final analysis, decides whether or not the matter is *sub judice*—and not the committee.

It would certainly be a violation of every concept of judicial proceeding if we were to allow this kind of matter to be decided by a vote.

Mr. DRYSDALE: Have you any authority for this very important point, Mr. Martin?

Mr. MARTIN (*Essex East*): Yes. The authority is the practice—

Mr. DRYSDALE: Whereabouts?

Mr. MARTIN (*Essex East*): I have not *Beauchesne* before me. I never for a moment thought that any member of this committee would take any other view; but I will certainly point out what *Beauchesne* says. I believe the citation is 182. I was not ready for the particular argument this morning, otherwise I would have had the citation.

Mr. JOHNSON: In all your experience!

Mr. MARTIN (*Essex East*): Would Dr. Ollivier remind me of the citation? Is it not 182?

Dr. OLLIVIER: It was standing order 41 at that time.

Mr. MARTIN (*Essex East*): No, that is not the one. The point before us is not whether or not these proceedings shall take place. As one member of this committee, I insist that there should be the fullest investigation and inquiry made by this committee. But the point that is before us is simply whether or not the well-known and tried principles of British justice are going to prevail in this particular case.

Now, what has the committee before it? What confronts the chairman? First, a statement made by counsel for the accused, which in itself is a *prima*

facie statement that the matter is one which, in his judgment, will seriously prejudice the conduct of the case which he proposes to carry out on behalf of his client, or clients.

No. 2: the very strong statement made this morning by Dr. Ollivier, who is the advisor on matters of law to parliament and to parliamentary committees. He states what the rule is, namely, that in his judgment, reading the evidence that he has read—

Mr. DRYSDALE: He said he has not read any.

Mr. MARTIN (*Essex East*): Reading the evidence that he has read in the newspapers and otherwise, faithfully reported, there is a conflict, there is a violation of the rule, a violation of the rule that where there is pending before a parliamentary committee, or before parliament, any proceeding that might prejudice a fair trial, then there has to be a decision by the chairman.

My friend is looking up the rule. I read it myself before Easter when I went into this thing with some care, and we will produce it before the morning is over. But I would appeal to the members of this committee, surely, in a matter like this, not to permit politics to enter into consideration.

Mr. PIGEON: No!

Some HON. MEMBERS: No!

Mr. MARTIN (*Essex East*): I would say, not to let politics enter into consideration. Mr. Pigeon referred to the newspapers, to cartoons in the newspapers, and so on. Well, I say, with great respect to Mr. Pigeon, that he let the cat out of the bag when he made that observation.

Mr. JOHNSON: You are trying to choke the cat now!

Mr. MARTIN (*Essex East*): And what I would suggest, Mr. Chairman, is that this decision before us is not one capable of being resolved, under our rules, by a majority in a committee that is obviously a loaded majority, loaded in the sense that the majority is represented by members of the government.

Mr. PHILLIPS: You are the only one who sounds loaded.

The CHAIRMAN: Mr. Martin, I do not think the committee is any more loaded than any other committee. You mentioned politics. I have tried to be extremely fair in this committee: I have given everyone a chance, and I do not think that politics has entered into this committee at all.

Some hon. MEMBERS: Hear, hear!

Mr. BELL (*Saint John-Albert*): On a point of order, Mr. Chairman, I would like to point out to Mr. Martin that on the last motion that was made by Mr. Chevrier, the Conservative members in majority supported that, so that should certainly negative the statement he has just made.

The CHAIRMAN: Before Mr. Martin proceeds, I am going to ask him to withdraw that remark about the loaded committee.

Mr. MARTIN (*Essex East*): Mr. Chairman, I certainly withdraw the suggestion that this committee is at the moment loaded. What I said, if you recall, was that I would suggest that we should not let the fact that this committee is made up, for the most part, of a majority of members supporting the government influence us in the conduct and in the very important decision that we have to make on a question involving the administration of justice.

Mr. DRYSDALE: The people of Canada decided on that majority.

Mr. MARTIN (*Essex East*): And I certainly cannot be asked to withdraw something that is perfectly obvious. I have confidence in the chairman; we have the greatest confidence in the chairman, and any decision that the chairman will make will be abided by.

What I am saying is, that if we have not been able to impress honourable gentlemen with the fact that this is a responsibility that rests with the Chair, and not with the members of the committee, I ask the members of the committee, in view of the fact that this is not an effort to stifle any proceedings or to stifle an inquiry—

Mr. DRYSDALE: You have not dealt with the issue yet, though.

Mr. MARTIN (*Essex East*): I ask that we do not risk the danger, and I appeal particularly to the lawyer members of this committee, who, by their training, know that everything I have said now is true; that everything I have said now is in conformity with the principles of human liberties and a bill of rights—

Mr. DRYSDALE: You have not dealt with the issue.

Mr. MARTIN (*Essex East*): I am going to deal with the issue.

The CHAIRMAN: Before you go on, Mr. Martin, I would like you to withdraw that remark about the loaded committee. That is not parliamentary, and you know it.

Mr. MARTIN (*Essex East*): Mr. Chairman, if you think I have said anything that I should withdraw, because of my high regard for you, I withdraw it. I am not conscious of having justified your request, but I feel so confident in you—

The CHAIRMAN: I want you to withdraw that.

Mr. MARTIN (*Essex East*): Withdrawn, unreservedly. But the facts are there. The citation is 295:

Understanding 12, the Speaker's decisions on points of order are subject to an appeal—
and so on:

—the decisions of the chairman of a committee of the whole in questions of order are subject to an appeal, not to the committee itself, but to the house. No standing order provides for an appeal from the chairman of a standing or select committee; but it has sometimes happened in standing and select committees that appeals were taken from the chairman's decisions to the committee and even to the house itself.

Then Beauchesne goes on to point out that in 1956 an appeal was taken to the house from the standing committee on banking and commerce, and the speaker ruled that the chairman's ruling should be settled in the committee and not reported to the house:

The house cannot be guided in a matter of this kind by precedents from the United Kingdom House of Commons where appeals are unknown.

So that it is clear that in a matter of this sort this committee cannot overrule a decision of the chairman by resorting to the House of Commons. That is clear, under citation 295.

The CHAIRMAN: I think we all agree with that, that a committee itself has to decide what it will do and what it will not do. We cannot appeal to the speaker of the house on it, because the speaker would directly tell the chairman to take it up with his own committee, as it was the committee's responsibility.

Mr. MARTIN (*Essex East*): I just want to—

Mr. CAMPBELL (*Stormont*): Mr. Chairman, when Mr. Martin has finished I would like to rise on a point of privilege.

The CHAIRMAN: On a point of privilege?

Mr. CAMPBELL (*Stormont*): Yes.

The CHAIRMAN: When Mr. Martin has finished.

Mr. MARTIN (*Essex East*): Mr. Chairman, if the gentleman wishes to raise a point of privilege, he may continue.

The CHAIRMAN: What is your point of privilege, Mr. Campbell?

Mr. CAMPBELL (*Stormont*): Mr. Pothier Ferland—

Mr. PIGEON: Do not mention this name—a grit.

Mr. CAMPBELL (*Stormont*): —who calls himself a lawyer, sent a letter on April 23 to all members of the committee, including myself—

The CHAIRMAN: We all know about that letter.

Mr. CAMPBELL (*Stormont*): And to the Minister of Justice and the Minister of Transport. In order to clarify this letter, I would like to read my reply, for the benefit of the members here.

I also know that the hon. member for Laurier will be very gratified to have this misrepresentation clarified, as I understand he has been, very justifiably, concerned over this matter. I replied:

Dear Mr. Ferland,

Referring to your letter of April 23, to Mr. Gordon Fraser, copies of which were sent to all members of the relevant committee,—

The CHAIRMAN: That is not a question of privilege.

Mr. CAMPBELL (*Stormont*): The question of privilege is the fact that Mr. Ferland alleged that I had mentioned the names of certain men now under investigation by the police. He also alleged that I had stated that there had been theft on this bridge—both of which are categorically untrue, on a reading of the minutes of the evidence. In order to clarify the contents of this letter which was sent to all members I would like to read my reply, which clarifies the position. Is that not a point of order?

Some hon. MEMBERS: A point of privilege!

The CHAIRMAN: All right, go ahead.

Mr. CAMPBELL (*Stormont*): This is my reply:

Referring to your letter of April 23, to Mr. Gordon Fraser, copies of which were sent to all members of the relevant committee, may I draw your attention to the fact that you specifically mentioned me as attacking your clients when in fact I was endeavouring on their behalf to put the whole matter of discrepancies in proper perspective.

You isolate a sentence which not only distorts, but is diametrically opposite to what I was endeavouring to convey. Admittedly, under the duress of debate, the phraseology is somewhat incoherent but my meaning is quite clear from the whole paragraph.

What I meant and what I said is "If there were thefts, this discrepancy of half a million dollars would not necessarily all have gone into the peoples' pockets". All of this amount could and some of it must be attributable to increased traffic and the negligence of toll operations.

Then Mr. Ferland added insult to injury by, in his reply, stating that that is what I said all along. In other words, his reply was quite the opposite to what he had said in his first letter. This is the most cynical example of complete duplicity I have ever encountered for a very long time, and it was obviously an endeavour—there is an arrogant assumption that, being a clever lawyer, he could easily obstruct and confuse this dull-witted committee: that was his reply.

Mr. MARTIN (*Essex East*): I ask the chairman if he will refer, first of all, to citation 149, referred to in principle, but not specifically, by the law clerk. This provides:

Besides the prohibitions contained in standing order 35; it has been sanctioned by usage both in England and in Canada, that a member, while speaking, must not:

(a) —

et cetera. And then (c):

refer to any matter on which a judicial decision is pending,—
I stress, to any matter.

Mr. DRYSDALE: What is the matter that is in issue, Mr. Martin?

Mr. MARTIN (*Essex East*): Any matter on which a judicial decision is pending.

Mr. DRYSDALE: Well, define the matter.

Mr. MARTIN (*Essex East*): My hon. friend can make his argument afterwards.

Mr. DRYSDALE: You are interested in justice. Define the matter.

Mr. MARTIN (*Essex East*): Any matter. This is a matter relating to proceedings that are now before the criminal courts in one way or another.

Mr. DRYSDALE: What is the scope of the matter?

Mr. MARTIN (*Essex East*): Mr. Chairman, my hon. friend can make his argument after I have finished.

The CHAIRMAN: I have your name down here, Mr. Drysdale.

Mr. DRYSDALE: I am trying to get Mr. Martin to the point, to save a little time.

Mr. MARTIN (*Essex East*): I have repeated three times, for the benefit of my friend, what the rule is.

Mr. DRYSDALE: I am aware of the citation.

Mr. MARTIN (*Essex East*): If these gentlemen want to substitute interruption for sound, constructive legal argument, that is their privilege. We have the chairman to arrive at the very important decision which I contend belongs, in this context, only to him.

Now, citation 153:

153. The reference of a bill to the Supreme Court of Canada withdraws that bill temporarily from the jurisdiction of parliament. On April 12, 1948, the Prime Minister moved that a select committee be set up to consider, *inter alia*, what is the legal and constitutional situation in Canada with respect to human rights and fundamental freedoms. Mr. Diefenbaker moved in amendment that, in order to assist the committee, the government submit immediately, to the Supreme Court of Canada such questions as are necessary to determine to what extent the preservation of the fundamental freedoms of religion, speech, press, assembly and the maintenance of constitutional safeguards of the individual are matters of federal jurisdiction. The Speaker said: "This amendment actually proposes that the Supreme Court be asked to consider the same matter that the main motion proposes to refer to a select committee. It seems to me that both those propositions cannot be approved at the same time by the house. If the constitutional situation of human rights is submitted to the Supreme Court it thereby becomes *sub judice* and cannot be considered by the committee until the court has given its decision. The question cannot be before two public bodies at the same time. For this reason I feel bound to rule the amendment out of order".

It has been suggested by Mr. Drysdale, in answer, that that is a sound principle; but that principle is not now actually involved in the consideration before this committee at the moment.

What is involved? Men are being charged under the Criminal Code with respect to certain alleged transactions on the bridge in question. We are inquiring into matters which, clearly from the evidence now before us, are so related as to cause their counsel to be concerned, as to actually have made the chairman take the position that he could not, in conscience, permit us to continue in our functions because of situations that had been referred to in this committee and by the additional representations made by counsel for the accused.

Mr. CAMPBELL (*Stormont*): Those things had not been referred to in the committee: that is what this point of privilege took exception to, the misleading allegations.

Mr. MARTIN (*Essex East*): I do not agree.

Mr. CAMPBELL (*Stormont*): You do not agree?

The CHAIRMAN: Order, Mr. Campbell.

Mr. MARTIN (*Essex East*): It seems to me, Mr. Chairman, that for these reasons—

Mr. CAMPBELL (*Stormont*): What reasons?

Mr. MARTIN (*Essex East*): —it would be a very serious matter, one that is not fully appreciated, apparently, by my hon. friend, the learned and distinguished jurist from Cornwall, who has had great training in the law—

Mr. CAMPBELL (*Stormont*): I do not appreciate this type of observation.

The CHAIRMAN: Keep off personalities, please.

Mr. DRYSDALE: No advertising here!

Mr. CAMPBELL (*Stormont*): On jurisprudence.

Mr. MARTIN (*Essex East*): I thought that with his judicial knowledge and great forbearance, when important discussions are taking place he would fully appreciate the importance of what I have said. It is not a question of whether or not proceedings are going to prejudice the position involving the inalienable rights of an accused under the British system of justice; that is not the question. The question is whether or not there is a *prima facie* possibility of those very rights of an accused in any way being affected. I would submit to you Mr. Chairman, that in a committee serving in a parliament when we are about to consider a bill of human rights we should give careful consideration to overruling a decision already taken by the chairman—a decision taken by a chairman in the exercise of his responsibilities as he conscientiously sees them. It will not mean if we suspend our proceedings that we do not want to go on with the hearing.

At the last meeting it was most unfortunate, after I had made the representation which I did about Mr. Ferland's letter and after the chairman had made a very careful and frank statement about this subject, that the Minister of Transport, not in this committee as he should have but outside the committee, made an *ex parte* declaration to the distinguished reporter of the *Montreal Star* with respect to the motives behind the action. I could have raised that as a question of privilege but I am not doing so.

Everyone recalls the headline in the *Montreal Star* "Martin seeks to stall proceedings." That was the statement made.

Some hon. MEMBERS: Hear, hear.

The CHAIRMAN: Mr. Martin, you are speaking to the motion. Will you kindly speak to it.

Mr. MARTIN (*Essex East*): May I make a comment on the applause to this last remark. Hon. members have approved my charge that the Minister of Transport exercised political action outside of this committee.

Some hon. MEMBERS: No, no.

Mr. JOHNSON: Mr. Chairman, do we have to stand up on a question of privilege.

Mr. MARTIN (*Essex East*): The rules are clear. This is a matter which is sub judice. It is a matter which involves the proper conduct of the procedures in our criminal courts. This is not a matter which in any way can be interpreted as being designed in any way to foreclose the fullest disclosure of this matter. Let that be clear. That being the case, it would seem to me that the decision which you made the other day was one which ought to be supported by every member of this committee who, as a member of parliament must be conscious of his responsibility to assist in the conduct of judicial proceedings outside of this house.

The CHAIRMAN: Mr. Martin, I did not make a decision the other day. It was up to the committee to make the decision. Evidently, the committee made that decision.

On July 24, 1956, an appeal was taken to the house and the speaker ruled that the chairman's ruling should be settled in the committee and not reported to the house. That means the committee and not the chairman has to decide.

Mr. MARTIN (*Essex East*): That was not on the question of proceedings which involved the question of sub judice. That was simply a statement which held there was a policy or procedure to be decided and it should be decided in the committee. However, the question as to whether or not proceedings are contrary to and conflict with proceedings outside is another matter. I say that under our rules that is a decision which can be made only by the chairman. Otherwise, we are saying that the judicial decision based on our parliamentary practice is going to be changed. Surely that is the last argument which seriously could be entertained.

Mr. McPHILLIPS: Mr. Chairman, the principle which Dr. Ollivier has enunciated here today is as old as the hills, and I think all lawyers are quite familiar with it. When it deals with a matter before a court it means a court of competent jurisdiction. The proceedings in Montreal are not before a court of competent jurisdiction. It is simply a preliminary inquiry before the magistrate to determine whether or not he will commit for trial. Having conducted many preliminary inquiries myself and having been also on the defence side, I would think that this particular learned magistrate must feel that the crown has a pretty weak case because he reserved his decision. Invariably they commit at once. Therefore, the principle that Dr. Ollivier enunciated does not apply here. I would agree that if the case were before a jury now we could not continue; but it is not before a jury and may never come before a jury.

We left this matter in the hands of our steering committee. We have left a number of matters in the hands of the steering committee. I have not always agreed with the steering committee, but I think your rulings have been that we must slavishly follow what the steering committee suggests. You have stated we must follow what the steering committee suggests.

The CHAIRMAN: Pardon me. I have not stated that we have to follow the steering committee. Rather what I said this morning is that that was what the steering committee had recommended. Then I said it is up to this committee to make its own decision, not the steering committee. That was only their recommendation. It is up to this committee and no one else.

Mr. McPHILLIPS: There was the instance where the steering committee decided to have a labour boss down here as a witness, and although I did not agree, it was taken as axiomatic that we should have him.

The CHAIRMAN: That was left also to the committee. It is the committee which does the deciding. The steering committee only guides and recommends to the committee; it does not dictate to the committee.

Mr. McPHILLIPS: I wish that had been the case all along.

The CHAIRMAN: I still say it has been.

Mr. McPHILLIPS: Very well. Then there is the other question in respect of the specific charge. Suppose one of these accused is found guilty of theft? What does that prove? It proves absolutely nothing, Mr. Chairman, so far as this committee is concerned. If John Smith is found guilty one day of taking \$12 which is the property of the National Harbours Board of Canada, that means nothing in the investigation of this committee. We are after something much larger than that; and we have been directed by the house to discuss it. We are not, however, at that stage now. This man is not before a court of competent jurisdiction. He is simply up for preliminary inquiry. I would not be a bit surprised, when the magistrate renders his decision tomorrow, if he does not even go before a court of competent jurisdiction. Surely this preliminary proceeding cannot hinder the parliament of Canada making an investigation of this kind. I submit that the principle enunciated by Dr. Ollivier has no bearing on this matter.

Mr. JOHNSON: (*Interpretation*): The member for Essex East has made a statement, and then afterwards goes to the sources to try to prove it. That is why I have no scruples at all about accepting the compliment he made about my great experience. It now justifies my asking him if the number of years experience is based on the number of years of bluff.

Mr. MARTIN (*Essex East*): (*In French*):

Mr. JOHNSON: Mr. Martin has brought this before the committee stating that the chairman should decide whether or not the matter is sub judice. If someone should go beyond the order of reference, or if someone should ask questions which deal with the pending cases in court—dealing directly with these pending cases—I agree that the chair should deal with this matter and decide whether or not the question is out of order or is in connection with a sub judice matter.

Mr. Martin has assumed that the whole matter is sub judice. That means he starts from no fact. He gave no fact and no precision showing the points where he started to argue. All he does is cite cases which do not have any bearing on the matter which is now before the committee. Mr. Martin referred to the counsel and said that the statement of the counsel is sub judice and is in itself a prima facie case on which we should decide.

May I add that the very fact that this counsel, Mr. Pothier Ferland, wrote this letter and sent it to the newspapers and everyone on this committee without submitting it officially to the committee by sending it to the clerk, is a case of contempt of the committee itself. I charge here that Mr. Pothier Ferland is guilty of contempt of this committee and should not be allowed to send letters first to the papers.

The CHAIRMAN: Mr. Johnson, it was poor etiquette on his part to do that, but at the same time every person in Canada has the right to write letters to members of parliament. I do not think we could call it being in contempt of this committee.

Mr. DRYSDALE: On that point of order, earlier in this committee I specifically raised the point that anybody having any comments to make regarding this matter should address his letter directly to the chairman of the committee. Good publicity was given in the newspapers to the fact that this is the proper procedure. As Mr. Johnson has said, in violation of that procedure, Mr. Ferland took the opportunity to be sure it got into newspapers and wrote

to each member of the committee. I agree that that is contempt. If anything is prejudicial, the most prejudicial thing is the statement made in that letter of Mr. Ferland.

Mr. JOHNSON: If the member for Essex East—

Mr. MARTIN (*Essex East*): I am just dealing with one of the fairest chairmen we have.

The CHAIRMAN: I thank you for the flattery but I do not think I deserve it.

Mr. JOHNSON (*Interpretation*): I would like to add that Mr. Martin has just paid a very deserved compliment.

Mr. Martin has given no precise or exact quotation in support of his claims. He has brought no exact quotation which would be a base for these matters in this committee. Everything he has cited has no bearing on the matter before this committee.

The CHAIRMAN: Is that all, Mr. Johnson?

Mr. JOHNSON: Yes.

The CHAIRMAN: Mr. Fisher, and then Mr. Drysdale. Before Mr. Fisher starts, I wish to say that there is another committee which will be meeting in this room at 11 o'clock. We will sit again this afternoon.

Mr. FISHER: Lacking the usual training, and being a mere boy from the bush, I hesitate to get into this particular matter.

I am going to vote for Mr. Pigeon's motion for these reasons. First, I feel that the point we tend to forget all too often is that as a microcosmic parliamentary committee we have a great deal of authority, and I feel the supreme authority in the land, when it comes down to it. I think that we are able, despite citations, to go ahead, if we feel that in the mood of this committee it is the fair and right thing to do. What I have been interested in all along in this investigation is the question of ministerial and administrative responsibility in a situation which has unfolded before us, in which the toll collectors and any specific charges against them in courts are merely an incident.

I would suggest to the members of this committee that we have had evidence that indicates that somewhere ministerial and administrative responsibility has tended to be at fault in this particular matter, and whether it is or not, in our opinion, is what we are after. If we are trying to check ministerial and administrative responsibility, we need to go on in this committee and to call the witnesses—such as ministers, former ministers, former heads of the Montreal port authority, former heads of the National Harbours Board—before us.

I suggest that when we make a report, we will not be making any report in relation to the toll collectors on the job. That is water over the bridge—

An hon. MEMBER: Water under the bridge!

Mr. FISHER: —because the toll system has been changed. What we are after is, whose responsibility was it that this very lopsided, creaking kind of administration of a revenue resource was allowed to go on for so long without any checks or changes? Surely this question of responsibility has almost "nowt" to do with what may be going on in a criminal court.

I do not think we need the conviction or the release of these people before the courts to enable us to go on in this particular area and field. It has been brought up that if we go on we are abrogating human rights; and it has also been brought up that there is a conflict of rules in regard to what we should do.

I suggest that if a parliamentary committee abrogates human rights it is getting into a very dangerous field. There is no more vulnerable group than a parliamentary committee, if it does so. If there are people within the com-

mittee who feel that it does, and can make the case, I think they have got those of us who are for it cold, because we are vulnerable to public opinion, as it is revealed in the vote.

The final point, Mr. Chairman, is that while a parliamentary committee has complete authority to make its own decisions, we should also recognize that we have the party system here. It is very apparent to me that if the party system, functioning the way it normally does—and I am not criticizing it—if the decision on the part of the government was to the effect that we should not go on, it would be readily apparent here.

I appreciate, personally, the fact that there has been no such instruction, or no such line has come down, and I would not be restricted by that line anyway, because I am not involved in the case. But as one individual member who is not restricted by such a line, even if it should come down, I think we should go ahead and get at this question of ministerial and administrative responsibility. I think the toll collection matters are a complete side issue—or, if you want, a red herring.

I have in my mind, of course, that I have no legal precedence or anything else behind me; it is just my understanding of what ministerial and administrative responsibility means, and my understanding of what a parliamentary committee should be able to do.

The CHAIRMAN: I just want to say, Mr. Fisher, what I have said before, that politics should not enter into this committee in any way, shape or form. This committee was set up to investigate the Jacques Cartier bridge and the Victoria bridge operations.

I have noticed so far that there have not been any party politics in it, and I hope they do not creep in. Anyone reading the evidence can see that there has been a conflict between certain people in different parties, but I hope that we can keep off politics entirely.

Mr. Drysdale is next; then Mr. Baldwin. Do you want to speak, Mr. Campbell?

Mr. CAMPBELL (*Stormont*): What about Mr. Campbell? I was after Mr. Drysdale.

The CHAIRMAN: That is right. I thought you had covered what you wanted to say.

Mr. CAMPBELL (*Stormont*): Not at all.

Mr. DRYSDALE: Perhaps, Mr. Chairman, to get back to the discussion that Mr. Martin had, and to be of assistance to the committee, I would like to put on record May's interpretation regarding matters that are sub judice. This is in the sixteenth edition of May, at page 400:

A matter, whilst under adjudication by a court of law, should not be brought before the house by a motion or otherwise. This rule does not apply to bills.

Again, on page 457:

Matters awaiting the adjudication of a court of law should not be brought forward in debate (except by means of a bill; see page 400). This rule was observed by Sir Robert Peel and Lord John Russell, both by the wording of the speech from the throne and by their procedure in the house, regarding Mr. O'Connell's case, and has been maintained by rulings from the chair.

During Mr. Martin's very interesting discussion I was trying to direct his mind to a little relevancy as to what was the problem before us, and I think the key word is a "matter" under adjudication. Mr. Martin did not choose to try and define what he thought the matter was that was under consideration. As people before me have stated, I think that the matter is the question of the theft charges against these six specific toll collectors, and accordingly we cannot infringe on this particular ground.

But I also suggested earlier that the thing we are interested in discussing is the administration of the Jacques Cartier bridge which, in my opinion, would not infringe in any way at all on these particular trials that are going on.

The second thing is: I was very pleased that Mr. Martin brought before the committee the fact that the committee has control of its own proceeding, and that we decide within ourselves, and that it is not necessary to go back to the house. I also point out to Mr. Martin that, in 1926, during the customs inquiry, I am sure, from a reading of the evidence of that committee, he will agree that there were prosecutions carried on at that particular time and there was no question of the matter being *sub judice*.

If Mr. Martin's reasoning were to prevail, any matter that was able to get before a court would immediately prevent our discussing it in parliament—and I can think of an example such as the Combines Act. If there were a combines matter before the court—and we have this amendment to the Combines Act coming up—and we went into committee and discussed it, then, on Mr. Martin's reasoning, which is obviously quite erroneous, we would not be able to discuss the Combines Act.

In all fairness, I would like to point out that Mr. Martin mentioned this very important—

The CHAIRMAN: Pardon me, Mr. Drysdale. I understand that in that case you could discuss the Combines Act.

Mr. DRYSDALE: I used it purely as a matter of illustration. Perhaps Dr. Ollivier is right. But if Mr. Martin's reasoning were to prevail, as the matter is to go before a court it is impossible for us to discuss it anywhere in our parliament, which I think is erroneous.

I think it is obviously necessary, and practically necessary to delineate it, and I wanted Mr. Martin to assist the committee by delineating it, as to what he thought should be the area to be discussed.

I think, in fairness to Mr. Martin—and I am sure it was just a slip of his memory—when he mentioned that Mr. Hees had received a certain amount of front page publicity in that very interesting and worthwhile publication, the *Montreal Star*, Mr. Martin the following day also had front page publicity himself in this same newspaper. I think it was purely oversight on his part, and he would want to indicate to the committee that both sides of the case had been discussed.

Mr. CAMPBELL (*Stormont*): Mr. Chairman, I believe that the whole issue at stake here is not in regard to any theoretical rights of men, or any bill of rights: the thing at stake is the privilege of parliament and a neglect of the public interest if this committee is shelved at this time.

We are concerned here—as Mr. Fisher stated, and Mr. Drysdale—not with any criminal liability of any individuals. No individuals have been mentioned in this context. We are not a court of law; we cannot assess criminal liability or otherwise—we are not interested in that.

Mr. MARTIN (*Essex East*): The evidence does indicate that very thing.

Mr. CAMPBELL (*Stormont*): We are interested, however, in whether organized crime was involved in the administration of this bridge, which is an entirely different thing.

We are also interested—as Mr. Fisher indicated—in the responsibility for the apparent maladministration of this bridge. We are interested in attaching public responsibility where it belongs. If there was negligence, malfeasance or mismanagement on the part of the National Harbours Board, the National Harbours Board is responsible to this parliament and we would be shirking our responsibility to the public of Canada if we did not endeavour to fix responsibility here.

It is our responsibility to see that proper action is taken and, if there was mismanagement, to see that it did not occur in future. I might say that what Mr. Martin and Mr. Ferland are endeavouring to do is something even kings have not attempted to do—and have lost their heads in attempting to do it. Mr. Ferland has been seeking to confuse this committee by, in one instance in particular, outright misrepresentation; and Mr. Martin's argument is an endeavour to muzzle parliament.

Mr. MARTIN (*Essex East*): On a point of order, Mr. Chairman; the hon. gentleman is now allowed to go on. I did not interrupt him. He has gone into high flights of fancy in his suggestion that, as a result of my attempt, my head might be taken off, and so on.

I am not concerned about my friend's threat to take off my head; but I am concerned about the suggestion that has been made, that what has taken place this morning is an attempt to muzzle parliament, or to prevent the fullest investigation of this matter. It is not a question of muzzling parliament.

Mr. MCGREGOR: It certainly is.

Mr. MARTIN (*Essex East*): What I am saying is that this committee has no right to interfere with the course of the administration of criminal justice in this country. I have before me the statement of Mr. Pigeon at the last meeting.

Mr. MCGREGOR: Stick to the point.

The CHAIRMAN: Just a moment. Are you through with your point of order, Mr. Martin?

Mr. MARTIN (*Essex East*): I am simply taking issue with the statement of my friend that this is an attempt to muzzle parliament, because the press is here. We want to avoid that going out. This is not the case, and the hon. gentleman ought to be asked to withdraw that. No one in this committee has sought in any way to prevent the fullest investigation. What we are seeking to do is to establish that this committee should not interfere with the administration of justice in this country, and I would ask you to cause the honourable and distinguished jurist from Cornwall to withdraw these remarks.

The CHAIRMAN: I believe that Mr. Campbell would withdraw that remark about muzzling parliament.

Mr. CAMPBELL (*Stormont*): I would be very glad to substitute the word "obstruct" the investigation of parliament into a matter that should be investigated.

The CHAIRMAN: Mr. Campbell, just withdraw it, without any restrictions.

Mr. MARTIN (*Essex East*): I would ask, Mr. Chairman, to have the gentleman, the distinguished jurist, to withdraw the word "obstruct" and to do it in such a way as to—

The CHAIRMAN: The word was "muzzle" parliament.

Mr. HORNER (*Acadia*): The same way you used "loaded"!

The CHAIRMAN: We have to adjourn shortly. I would like Mr. Campbell to withdraw the word "muzzle".

Mr. CAMPBELL (*Stormont*): I would be delighted to withdraw the word "muzzle".

The CHAIRMAN: Without any restrictions.

Mr. CAMPBELL (*Stormont*): Yes.

Mr. MARTIN (*Essex East*): And the word "obstruct"?

Mr. CAMPBELL (*Stormont*): If Mr. Martin withdraws his obstructions, I shall withdraw the word "obstruct".

Mr. MARTIN (*Essex East*): There again, Mr. Chairman, the hon. gentleman has said I am obstructing. I ask that that be withdrawn.

The CHAIRMAN: I think Mr. Campbell will withdraw it, without any restrictions. Is that right, Mr. Campbell?

Mr. CAMPBELL (*Stormont*): Providing there is no further obstruction.

The CHAIRMAN: I know that Mr. Martin will not try to obstruct anything. Mr. Baldwin is next.

Mr. BALDWIN: Mr. Chairman, I have been sitting through practically all these committee meetings. I doubt very much if anything has been said—and I am giving it as my opinion as counsel, having appeared in a great number of criminal trials—except possibly one brief reference to one of the persons as an accused, at the time that one of his time-sheets was produced, which would, in my opinion, in any way be detrimental or prejudicial to his trial.

I think we have got to consider, what do we mean by *sub judice*? Quite frequently, when criminal offences are committed, there is a press report given of them. People in the community from whom a jury will be drawn know an offence has been committed. What this committee has attempted to do—and I am sure we agree in this respect—is this: We have had a large field to cover, and in covering the field we have touched, probably, on subject matters which might be close, or even relevant, to the criminal offence of theft which these people are facing. But that has been purely accidental.

The subject matter of this inquiry is the administration of the bridge. If, in the course of that, we discover that there have been some irregularities which may be referable to administrative or ministerial neglect, well then, it is our duty to make an inquiry into that. But as to the fact that there is a criminal trial taking place in Montreal, the subject matter of that is: These people are charged with committing a certain offence. It is not whether there has been an offence of theft or irregularities on the bridge. The question is: Are these particular six individuals, or any one of them, guilty of committing that offence? Only to the extent that we come close to that, I think, is what we are doing here to be construed as *sub judice*.

I feel there is no reason why we should not proceed, provided that once it becomes apparent that we are approaching that subject matter the chairman is vigilant in his duty; and it is the duty of the members of the committee to make certain the questions they frame are in no way touching on that matter. The chairman would be doubly vigilant to see that nothing is done in that regard. Apart from that, I think we would be most ill advised to withdraw from these proceedings at this time.

Mr. MARTIN (*Essex East*): Mr. Chairman, I think Mr. Baldwin has made a very—

The CHAIRMAN: We have just about two or three minutes.

Mr. MARTIN (*Essex East*): I think Mr. Baldwin has made a very fair and objective statement, and I am sure we all appreciate how helpful he has been in the matter.

I would ask Mr. Baldwin to just think of these words of Mr. Pigeon at the last meeting. If they do not justify the argument that I have put forward this morning, then I will be surprised.

Here is what Mr. Pigeon said:

Je pensais que, par le fait qu'il a été prouvé qu'il y avait eu du vol et du coulage, c'était suffisant pour permettre aux membres du Parlement de continuer l'enquête, c'est tout.

For this reason—

Some hon. MEMBERS: Translation!

Mr. JOHNSON: Could we have the reference, please.

Mr. MARTIN (*Essex East*): I have the translation here.

Mr. MCGREGOR: I object to this going on. He has taken the biggest part of the morning, and we have five minutes to go and you are going to let him eat up the time. Nobody else is getting a chance to speak. I object.

Mr. MARTIN (*Essex East*): I have the translation.

The CHAIRMAN: Everybody must have a fair chance.

Mr. MARTIN (*Essex East*): The English of what Mr. Pigeon said is:

I thought that by the very fact that it had been proven there were thefts, that this allowed the members of the parliamentary committee to continue.

If that is not, in itself, a statement in support of what I have been saying—"the very fact", said Mr. Pigeon "that it had been proven there were thefts"—that is the matter that is now before the courts.

Mr. JOHNSON: On a point of order, Mr. Chairman: I would like to find out from the member what he is quoting from.

Mr. MARTIN (*Essex East*): This is the evidence of the last committee meeting.

Mr. JOHNSON: Where did you get it?

Mr. MARTIN (*Essex East*): It was given to us by Mr. Jones a few moments ago.

The CHAIRMAN: It has not been printed yet.

Mr. MARTIN (*Essex East*): Let us take the printed evidence. I refer to page 778.

Mr. PIGEON (*Interpretation*): I would like to raise a point of privilege I made no precise statements; I named no names; I simply took inspiration from the articles in the newspapers.

Mr. MARTIN (*Essex East*) (*Interpretation*): It is a confirmation of what I have just said.

Mr. PIGEON (*Interpretation*): I never made any precisisions; I never gave any names: I simply repeated what the Canadian people from one ocean to another, from Atlantic to Pacific, are saying and thinking.

Mr. MARTIN (*Essex East*): Surely that last statement of Mr. Pigeon is the very strongest possible argument we have had this morning and is confirmation of what I have said.

Mr. PIGEON (*Interpretation*): Another point of order. I never made any precisisions; I never gave any names.

Mr. MARTIN (*Essex East*): I think the hon. member is only making the situation much worse. The fact that he did not give any names makes the situation in so far as the question of what is *sub judice* is concerned, all the more serious.

The CHAIRMAN: It is now almost three minutes to eleven. Another committee sits here at 11:00 o'clock and I am afraid we will have to adjourn.

Mr. JOHNSON: Question, Mr. Chairman. We have time for a vote.

Mr. McPHILLIPS: Why should we give way to another committee? This is the railway committee room: this is our room.

The CHAIRMAN: That does not matter. There are four or five committees sitting this morning, and we have to give way to them in order to allow those other committees to sit.

Mr. DRYSDALE: We have a very important point that we have to straighten out. Let them wait.

The CHAIRMAN: They cannot wait.

Mr. MCGREGOR: : We have 16 names on our list of witnesses whom we intend to call in connection with the operation of this bridge. Those 16 names will keep us going for at least a month, so there is no argument, or any reason why we should prolong this agony.

Mr. MARTIN (*Essex East*): Before we adjourn, Mr. Chairman, I want to refer to page 778 of the evidence to show the very serious situation and the area of danger that we are getting into. At page 778—

Mr. BELL (*Saint John-Albert*): Mr. Chairman, I move that we adjourn. It is 11:00 o'clock.

Mr. MARTIN (*Essex East*): There is one minute to go. This is Mr. Denis:

I suppose you made an investigation of every toll collector for the Jacques Cartier bridge, or most of them?

Mr. SHEA: I would say, "yes".

Mr. DENIS: Is it possible that in those reports there are a lot of details relating to persons who are actually before the courts?

Mr. SHEA: It is possible. I would not say definitely, but it is possible that there would be, if they have been there for any length of time; I think there would be.

Mr. DRYSDALE: So what?

Mr. MARTIN (*Essex East*): Does anybody seriously argue—

Mr. JOHNSON: Are you trying to hide the facts of the Jacques Cartier bridge?

Mr. MARTIN (*Essex East*): I would say to my hon. friend who made that remark that we are not trying to hide any facts. We want all the facts brought out.

Mr. JOHNSON: We do too.

Mr. BELL (*Saint John-Albert*): Let us go on.

The CHAIRMAN: Order!

Mr. MARTIN (*Essex East*): The hon. gentlemen will not permit free discussion. I simply want to say, Mr. Chairman, that we do want the fullest inquiry—

The CHAIRMAN: Mr. Martin, it is now 11:00 o'clock.

Mr. PIGEON: May I ask for a vote, please?

Mr. SMITH (*Calgary South*): Mr. Chairman, may I make a suggestion with respect to the procedures of the committee. Reference was made to the fact that another committee was about to take over this room. That is correct. This, of course, is arranged by the Whip, so I would say that at any time you wish to retain this room, this could most certainly be arranged. I want to introduce the only note of compromise in this discussion.

Mr. DRYSDALE: He is out of order.

Mr. JOHNSON: Question.

The CHAIRMAN: Mr. Martin is not through yet. Another committee is coming in. Therefore I adjourn this committee until after the orders of the day today.

Mr. McPHILLIPS: Will it be here?

The CHAIRMAN: It will be right in this room, immediately after the orders of the day.

AFTERNOON SITTING

TUESDAY, May 3, 1960.

3:30 p.m.

The CHAIRMAN: Gentlemen, we are on the motion; we are discussing the motion that the committee continue with its considerations. Mr. Martin has the floor.

Mr. MARTIN (*Essex East*): Mr. Chairman, I was just finishing the argument which I was putting forward this morning. Since the adjournment I have had an opportunity to go through some of the evidence and undoubtedly I have only been able to peruse a small portion of it. But my examination revealed what I think, speaking personally, is a rather serious situation in the light of the argument which is before us as to whether or not this is a question which is *sub judice*.

For instance, on page 74 of the evidence there are comments about the indicated inefficiency or incompetency that may lead to other situations. At page 172 of the evidence Mr. Campbell speaks of a coordinated system of violations, call it theft or otherwise, he says.

Mr. CAMPBELL (*Stormont*): I asked if that was so.

Mr. MARTIN (*Essex East*): This is clearly an indication of whether or not the hon. member intended an innuendo, but there is an innuendo there from which various conclusions could be drawn, notwithstanding what the hon. gentleman may have had in his mind.

That last statement which my hon. friend has just made now is even worse. Men are being tried in a court of law under our criminal procedure in accordance with the standards of British justice, and we want to see that the fullest dispensation of justice is administered to the accused. We do not want in any way to affect one way or another their trial, and that last remark—

The CHAIRMAN: Please do not interrupt, Mr. Campbell.

Mr. MARTIN (*Essex East*): And that last remark—

Mr. McPHILLIPS: Mr. Chairman, on a point of order, very obviously Mr. Martin is simply adding to his argument of this morning. I do not object to it, but I am going to claim the same right to re-argue and lengthen my argument. He is not dealing with anything new at all.

Mr. MARTIN (*Essex East*): I think the point made by Mr. McPhillips is a fair one, and I want to deal with the argument that I made this morning. Of course he has that right, and as a good lawyer he will appreciate the purpose and motives that I have in mind in trying to lay down the foundations of something which I am sure he appreciates is a very serious matter.

He himself took the position this morning that if the proceedings about which we were complaining were now in the courts and involved a trial before a jury, the situation would be otherwise. I would suggest to him that the proceedings which are now before the criminal courts in the province of Quebec are of even a more serious character, having in mind what we are concerned about here, and when we talk about a conflict or an interference with what is *sub judice*; because we now have in the courts at Montreal a proceedings in which the magistrate has only to determine one thing, and that is whether or not there is a *prima facie* case against the accused; and that, in the absence of any evidence can be forced by interpretation of evidence by the accused themselves—in fact they cannot give evidence—and all that the magistrate in the context has to determine is whether or not there is a *prima facie* case.

The more my hon. friend talks, the more convinced I am that he does not fully understand the most elementary proceedings of legal practice; and if what my hon. friend from Victoria said is to be considered seriously, and I think it deserves to be, then these are proceedings *ab initio* in the magistrate's court, in which all that the magistrate has to do is to determine only whether or not there is a *prima facie* case; and if there has not been offered in this committee all kinds of observations which certainly would—would certainly—establish a *prima facie* offence, then I certainly do not understand the meaning of that kind of evidence.

Mr. JOHNSON: That may be the point.

Mr. MARTIN (*Essex East*): But that is not what I am complaining about. Mr. Campbell asked me to refer to the evidence at page 172.

Mr. DRYSDALE: Mr. Chairman, on a point of order: I wonder if it is proper for Mr. Martin to go back and review the evidence and to indicate statements which were made?

Mr. MARTIN (*Essex East*): Well, he asked for it.

Mr. DRYSDALE: What we are trying to decide at the present time is whether or not this committee will ignore statements perhaps that might be on the borderline, since the matter is sub judice, and we are trying to ascertain at the present time whether or not this committee should go forward and examine the administration of toll collection, and matters which are sub judice.

What you are doing is to say on the one hand: let us have a fair hearing, while on the other hand you are trying to quote statements which in your opinion might be sub judice.

I do not think it is appropriate or relevant at this time to go back over the evidence and to reargue it. I am quite prepared to admit that there may be statements which are not completely correct.

Mr. MARTIN (*Essex East*): You have made your point. It is not a point of order at all; it is an argument.

Mr. DRYSDALE: I used exactly the same type of statement that you made.

Mr. MARTIN (*Essex East*): Now that you have made it, I suggest whether or not my argument is sound that I have the right to point out that these proceedings that cover the whole matter are of such a character as to raise possible doubts as to the character of the proceedings outside of this chamber in the criminal courts.

That is the argument that I am making; and the rules in Beauchesne and Erskine to which I shall make reference later on clearly indicate that we are seized in a judicial proceeding pending, only if it be in the matter of a bill before the house. Then the house is not seized, nor is a committee of the house properly seized with jurisdiction in the matter. What I was doing was to relay a specific request from the hon. member for Cornwall. He asked me to be precise.

Mr. DRYSDALE: That was the reason I raised the point. Because the hon. member asked you to read something does not mean that it is necessarily correct.

Mr. MARTIN (*Essex East*):

Mr. CAMPBELL (*Stormont*): I am laying the foundation for the questions which were relevant this morning. I notice that there is a consistent correlation between the increase in revenue and the increase in vehicle registrations. The graph line is quite consistent throughout. There are no violent fluctuations. That indicates one of two conclusions. The first conclusion is that everything was completely in order, that there was no malfeasance of any kind, and that all the revenue possible to be obtained was being obtained.

Listen to these words:

The alternative conclusion—to me the alternatives are exhaustive—is this: that there must have been a well coordinated system of violations. In other words, what I am getting at is this: if these toll collectors were in fact guilty of—call it theft or whatever you want to call it—if they were operating on a free enterprise basis, there would be violent fluctuations.

That is the very question which is before the courts. That is not a matter for this committee; and the hon. member for Stormont by those remarks clearly has indicated that he has violated and has put this committee in an embarrassing position, a position which no hon. member, including the hon. member for Stormont really wants the committee to be put in.

Mr. CAMPBELL (*Stormont*): On a point of order, Mr. Chairman. That indicates no such thing.

Mr. MARTIN (*Essex East*): This is not a point of order. You may make your argument afterwards.

Mr. DRYSDALE: On a point of order I originally raised, Mr. Chairman, at the present time, when the matter is before the courts, Mr. Martin is seeking to go back over the evidence that has been discussed, and there are matters that are possibly *sub judice*. I do not think he is entitled to do it.

The CHAIRMAN: Mr. Drysdale, I do not think Mr. Martin should go over each point where we have transgressed. I do not think you should do that, Mr. Martin.

Mr. MARTIN (*Essex East*): Mr. Chairman, I will bow to your request. I do not want to take the time of the committee unnecessarily; but I am seeking to establish the grave danger of this committee seeking to do something that we all want done—we all want the fullest investigation made into this matter.

Mr. DRYSDALE: Let us vote on the question, then.

Mr. CAMPBELL (*Stormont*): You are not—

Mr. MARTIN (*Essex East*): My hon. friend is a lawyer, and he amazes me with his constant interventions, which I think perhaps would reflect—

The CHAIRMAN: Easy!

Mr. DRYSDALE: Go slow.

Mr. MARTIN (*Essex East*): We want to be very careful, but I want to refer to the various pages in the evidence. If the hon. gentlemen will look at page 177, at pages 641, 643, 646, 734, 658, 659, 121, 98 and 99, 152 and 196, only to mention some, they will find that what I am saying is correct.

Let me mention in particular a further indication. I have before me a newspaper clipping. I suppose it is *La Presse*; there is no reference. The title is: Mandats contre six anciens percepteurs du pont J.-Cartier. It is April 4, this year.

An hon. MEMBER: Where is the interpreter?

The CHAIRMAN: Owing to the fact that you have spoken French, Mr. Martin, I would like the interpreter to interpret that.

The INTERPRETER: Mandate against six former toll collectors of the Jacques Cartier bridge, taken from *La Presse* of April 4, 1960.

Mr. MARTIN (*Essex East*): In this article we find “ce sont” and then they give the names of certain individuals—I am not going to refer to them here—who have been arrested; one still to be arrested. There is nothing wrong in the press having that report; but the danger, in so far as the matter which I am raising at this time is concerned, is to be found on pages 98 and 99 of our evidence giving, it will be seen, the names of the accused dismissed or laid off. Then at page 152—

Mr. DRYSDALE: On that point, Mr. Chairman—let us make that clear—

Mr. MARTIN (*Essex East*): Let me finish, if you want to see justice performed.

Mr. DRYSDALE: On the point of order, Mr. Chairman: I am not going to sit back when Mr. Martin is not clarifying what the evidence is. Pages 98 and 99 contain a list of all toll collectors. Put that down straight, eh! Let us be fair.

Mr. MARTIN (*Essex East*): Listen to what I have to say.

Mr. DRYSDALE: I have been listening to what you have to say all morning.

Mr. MARTIN (*Essex East*): No, because you have interrupted me at a very critical point in my argument.

I referred to the fact that *La Presse* of April 4 this year gives the names of six individuals who have been arrested pursuant to action taken by the Royal Canadian Mounted Police.

I said that in that one fact there was nothing to which there could be any objection taken. *La Presse* had the right to make a report of that character. But then I point out that in our evidence, at pages 98 and 99, there appear the names of the accused—

Mr. JOHNSON: Among other names.

Mr. MARTIN (*Essex East*): All right; let me finish. There appears a list of names of the accused dismissed or laid off. Then at page 152, reasons for the dismissal of the accused.

Mr. CAMPBELL (*Stormont*): And others.

Mr. MARTIN (*Essex East*): Savoie—which is one of the names referred to in the *La Presse* article.

The CHAIRMAN: Names of accused should not be mentioned here.

Mr. MARTIN (*Essex East*): No, but I am saying they have already been mentioned.

The CHAIRMAN: Do not mention them again.

Mr. MARTIN (*Essex East*): Mr. Chairman, I point out to you the very danger. Here we have the names of the accused referred to, and one of them—

The CHAIRMAN: I am going to interrupt you a moment, Mr. Martin. You said page 152.

Mr. MARTIN (*Essex East*): Yes.

The CHAIRMAN: That is a blank page.

Mr. MARTIN (*Essex East*): 157; excuse me— next we have page 157. If what I have just indicated is not an indication and a very strong argument, well then I would want to be told wherein the weakness was in this particular submission.

Mr. DRYSDALE: Do you want to be told now, or later?

Mr. CAMPBELL (*Stormont*): Now?

Mr. MARTIN (*Essex East*): My friend apparently is not interested in the administration of justice.

Mr. DRYSDALE: Mr. Chairman, Mr. Martin asked a question; he wanted to be told why, and I am quite prepared to tell him now.

Mr. MARTIN (*Essex East*): We can take forever, if you want to keep interrupting; but I am now addressing myself to what I thought was, on the part of Mr. McPhillips this morning, a very capable and moderate statement of the legal position.

Mr. DRYSDALE: I raised this particular point, Mr. Chairman, as to the impropriety of Mr. Martin in raising these things and discussing them. He

seems to be taking the matters selectively and, I would suggest, out of context, within the original discussion.

Mr. MARTIN (*Essex East*): Give me an indication.

Mr. DRYSDALE: The last one.

Mr. MARTIN (*Essex East*): Show me where.

Mr. DRYSDALE: I do not wish to perpetuate the type of argument you are making. The only thing before the committee is whether or not we should continue this particular session on the question of administration, not on the toll collectors. You seem to want to go back and look at the arguments which occurred before the charges had actually been laid and were not before the court.

Mr. MARTIN (*Essex East*): I am sure that if you examine seriously what you have said, you will see that is wrong.

Mr. DRYSDALE: No, Mr. Chairman; I know what I am saying.

Mr. MARTIN (*Essex East*): What my hon. friend says I am doing is correct. I have referred to previous evidence. That is all that one can refer to. One cannot refer to evidence that has not yet been given. But what I am saying is that the evidence that thus far has been presented, in so far as particular allusions now made by me are concerned, indicates the danger of simultaneous proceedings, if we are going to properly observe the rule which says that, pending final judicial decision there shall be nothing dealt with that would violate the principle or the concept of *sub judice*.

Look at page 23 of the evidence, Mr. Drysdale, and you will see where the Royal Canadian Mounted Police officer, in the middle of the page, is referred to by the minister, who said:

When I spoke at the opening of this committee, which I think was on February 9, at that time I said that I did not want to say anything that would interfere with the investigation being carried out by the R.C.M.P. At that time I had talked with the officer in charge, and he said that he thought that if we did proceed at that time, it probably would interfere with their investigation.

Mr. JOHNSON: "I have talked since that time with the Minister of Justice..." Why do you not carry on?

Mr. MARTIN (*Essex East*): That statement—

Mr. DRYSDALE: The next sentence qualifies it, if you want to be fair. Mr. Chairman, this is the difficulty with this selective argument.

Mr. JOHNSON: Why would you refuse to carry on with the other sentence, the one just following?

Mr. MARTIN (*Essex East*): If Mr. Johnson wants me to read it, I will. One hon. member asks me not to read, and the other asks me to read.

The CHAIRMAN: Mr. Martin, I am going to ask you to read it.

Mr. MARTIN (*Essex East*):

I have talked since that time with the Minister of Justice and through him to the R.C.M.P., and they have advised me through him that their investigation will not now be interfered with in any way by this committee proceeding.

Do you wish me to go on reading?

The CHAIRMAN: That is fine.

Mr. MARTIN (*Essex East*): But the fact is that the R.C.M.P. officer in charge said it probably would interfere with their investigation. Now, what is the rule? There is another sentence in here, which I should have read:

The Minister of Justice has advised me that if between now and the time when this committee has concluded its sittings any criminal charges

should be laid, these certain matters would then become, as I understand it in legal language, sub judice.

Now, I do not think—

Mr. PIGEON: Why are you so afraid?

Mr. MARTIN (*Essex East*): My honourable friend says that. We all know very well—and let me tell him—

Mr. PIGEON: We have our duty here.

Mr. MARTIN (*Essex East*): Let me tell my friend here that nobody is afraid. We want the fullest possible investigation of all aspects of this matter.

Mr. PIGEON: Well, give us a chance.

An hon. MEMBER: But not this year.

Mr. MARTIN (*Essex East*): Not this year, or next year, but at the earliest possible moment.

An hon. MEMBER: After the provincial election.

The CHAIRMAN: Gentlemen, we have to have order; otherwise, it is impossible for the reporters to take down what is being said.

Mr. MARTIN (*Essex East*): As Mr. Pigeon knows, as one trained under the British system of common law and criminal law, applicable in all parts of Canada, one should recognize the strength of that system—and it is being proposed now that this be strengthened by the introduction of a bill of rights. I am anxious to see preserved in this country inviolate, the provisions in our criminal courts, where the fullest possible trial is given, without any possible interference.

I would say this to Mr. Pigeon. Although he is not a lawyer, if he will consult with other lawyers on this committee, who share his political convictions at this moment, he will find some of the opinions that have already been suggested in this committee by some other members—and they were given not for the purpose of being anything else but helpful. If certain statements come to the attention of the proper counsel they could be used as arguments for obtaining new trials or setting aside judgments that, conceivably, could be established in the future. Now, some of the statements made by Mr. Campbell—

Mr. CAMPBELL (*Stormont*): What statements, for instance?

Mr. MARTIN (*Essex East*): —would, I am sure—

Mr. CAMPBELL (*Stormont*): Mr. Chairman, I rise on a point of order. This is a first class example of suppression vici and suggestio falsi. I hesitate to say that, in view of the past experience before the courts of the honourable member here—and in view of the fulsome compliment he paid me this morning. Nevertheless, I think it is very true.

Mr. MARTIN (*Essex East*): Mr. Chairman, this confirms what I have just said. This morning some honourable gentlemen—my friend continues to quote Latin; although he impresses me with his scholarship, he does not with his legal accuracy.

I have before me Erskine May, and I would like to refer you to several pages of this learned book which has governed parliamentary practice, along with other publications and authorities.

For instance, I refer you to page 358. In this the author deals with the kind of questions which are not admissible either in discussions in the house or in committees. Examples of inadmissible questions are referred to, for instance in paragraph 6. The following is inadmissible:

One that reflects on the decision of a court of law, or
—and this is important—

Being likely—

—not necessarily prejudicing, but being likely—

—to prejudice a case which is under trial, including a case tried by court martial before confirmation.

Then, Mr. Chairman, at page 374 of *Erskine May*—and I am referring now to the sixteenth edition—the general rules of order are governed by restricting the permission that is open to any honourable member to make a motion under the standing orders where, under 1(a), it involves a question that is subjudice. It does not say whether in whole or in part, but raises a matter that is sub judice.

I recognize the point made by Mr. Drysdale, and the matter is one that presents a valid area for argument. I think the area of discussion establishes that the authorities do not speak of dividing a matter, but whether or not the matter being considered is *sub judice* is a matter for the chair.

And then the author says, at page 457:

Matters awaiting the adjudication of a court of law should not be brought forward in debate (except by means of a bill);
—that is the extent to which I referred to earlier.

This rule was observed by Sir Robert Peel and Lord John Russell, both by the wording of the speech from the throne and by their procedure in the house, regarding Mr. O'Connell's case, and has been maintained by rulings from the chair.

—not by rulings from the committee, but matters involving sub judice questions by the chair.

There can be no other way of having an orderly proceeding, unless we recognize, in a case like this, the speaker or the chairman, who has contacted the law officers of the crown, who is the proper person, or the proper body, to make a ruling involving this particular situation. And I am sure that the chairman's conduct of our proceedings has been such—regardless of what decision he makes—as to commend itself; and I think it is our duty—if I may so put it—in this committee, to assist the Chair in the conclusion which, in the exercise of his duty and conscience, he has seemingly taken with regard to this matter.

I repeat, that in taking the position which I do, it is not that I do not join with the honourable member of this committee from Port Arthur, in urging that we have the fullest possible inquiry into all aspects of this matter. That cannot be too clearly established. And for it to be said outside by a minister, or anyone else, that any other motive has actuated our declarations is to make a statement that is both untrue, inaccurate, and unfair. I want to make that clear. We want the fullest investigation.

An hon. MEMBER: When?

An hon. MEMBER: Next year.

An hon. MEMBER: Ten years from now.

Mr. MARTIN (*Essex East*): Whenever it can be conducted in such a manner so as not to interfere with the process of justice.

My honourable friend says ten years. I say this to you: it would be far better that this parliament take no step that will interfere with the proper prosecutions of the courts of criminal justice than to seek to derive some advantage by proceedings of some kind or another at the present time.

Some hon. MEMBERS: Hear, hear.

Mr. MARTIN (*Essex East*): We have before us, Mr. Chairman, another matter, which is germane to the whole thing. It is one that I do not think can be overlooked. I am referring to the letter sent by Mr. Ferland, the lawyer.

Mr. JOHNSON: You must know him.

Mr. MARTIN (*Essex East*): I have not any doubt that my friend, Mr. Johnson, would not want to say anything that would reflect upon a lawyer, unless he has a special reason.

I know he has written a letter that this committee should consider—this committee, and not a smaller committee.

Mr. DRYSDALE: On a point of order, Mr. Chairman: in connection with this particular letter which Mr. Martin is trying to read, the committee has ruled it out of order.

Mr. MARTIN (*Essex East*): This one?

Mr. DRYSDALE: Yes, this particular letter.

Mr. MARTIN (*Essex East*): I would not want to do anything which the committee has decided not to do, but this letter, I understand—

The CHAIRMAN: What is the date of that letter?

Mr. MARTIN (*Essex East*): The date of this is April 23, 1960.

Mr. JOHNSON: That is the one we ruled was out of order.

Mr. MARTIN (*Essex East*): I understand that was not the subject matter of the type of order to which my friend referred.

Mr. PIGEON: Do you expect to finish your statement in a few minutes, because you take the floor all the time?

Mr. MARTIN (*Essex East*): (*In French, uninterpreted*).

The CHAIRMAN: What is that, Mr. Martin?

Mr. MARTIN (*Essex East*): I said Mr. Campbell was a very excellent gentlemen, but he made it difficult for me to present a continuous, uninterrupted submission.

Mr. PIGEON: I do not know why you are so afraid; I cannot explain that. We represent the people.

The CHAIRMAN: Mr. Martin, the steering committee suggested at a meeting on April 25 that Mr. Ferland's letter, dated April 23—and this letter was read by the clerk of the committee—it was agreed that the said letter of Mr. Ferland was to be brought up at the next meeting of the main committee. We have not had a chance to bring that up yet and, therefore, I do not think you should bring it up at this time.

Mr. MARTIN (*Essex East*): You do not think I should bring it up?

The CHAIRMAN: No. Every member of the committee has had a copy of that letter, so I do not think you should read the whole thing.

Mr. CAMPBELL (*Stormont*): Mr. Chairman, if any portion of that letter is referred to, I want to correct the conscious misrepresentation of this. I want to elaborate my point of privilege of this morning, if it is referred to in the slightest amount; and I think it is completely irrelevant.

Mr. MARTIN (*Essex East*): I will not read the whole letter—

Mr. CAMPBELL (*Stormont*): Nor any portion of the letter.

Mr. DRYSDALE: Mr. Chairman, on a point of order, this type of thing that my friend wishes to refer to, this letter, prejudices the case more than anything else, and Mr. Martin is continuously bringing in material that is prejudicing the case and is then saying the committee is responsible for the prejudice. I think the letter is more prejudicial than any other matter that has come before the committee. If he wants to read it in, that is up to the chairman, but you do it on your own responsibility and not on the responsibility of the committee.

Mr. MARTIN (*Essex East*): I would think my honourable friend, who is a lawyer—

Mr. PIGEON: On a point of order, please.

Mr. MARTIN (*Essex East*): —would regard it as our duty—

Mr. PIGEON: On a point of order, I place a motion that you do not read this letter before this committee.

Mr. MONTEITH (*Verdun*): I second that.

Mr. MARTIN (*Essex East*): My honourable friend wants to make a motion. That is his privilege, but here is the letter, and yet he refers continuously to evidence which does not make out a substantial case.

The CHAIRMAN: There is a motion before the committee, moved by Mr. Pigeon and seconded by Mr. Monteith, that this letter not now be read the second time—not now be read.

Mr. DRYSDALE: I would like to speak to that particular motion. I cannot get the original source, but Mr. Martin referred to the *Montreal Daily Starr* as a very excellent newspaper—

Mr. MARTIN (*Essex East*): What is my honourable friend doing now?

Mr. DRYSDALE: I am speaking to the particular motion.

Mr. MARTIN (*Essex East*): I was speaking to it first.

Mr. DRYSDALE: I got up and took the floor while you were not.

Mr. MARTIN (*Essex East*): I am waiting for the chairman, and I respect the chairman.

Mr. DRYSDALE: Just sit down and wait till I have finished, for a change.

The CHAIRMAN: Mr. Pigeon got up on a point of order.

Mr. MARTIN (*Essex East*): And he interrupted what I was saying.

The CHAIRMAN: And he made a motion that this letter not now be read; and that motion was seconded by Mr. Monteith.

Mr. DRYSDALE: I got up to deal with the particular point of order. You have had the floor.

Mr. MARTIN (*Essex East*): Because I am in a minority here, making a plea for British justice—making a plea for justice—

An hon. MEMBER: Has a minority got rights?

The CHAIRMAN: You have heard the motion, gentlemen.

Mr. DRYSDALE: I would like to speak to the motion, if I may.

Mr. MARTIN (*Essex East*): I am speaking to the motion.

Mr. DRYSDALE: No, you are not.

The CHAIRMAN: Are you speaking to this motion, Mr. Martin?

Mr. JOHNSON: The main motion.

The CHAIRMAN: The main motion, that the committee try to finish its considerations.

Mr. DRYSDALE: Just try listening, Mr. Martin.

Mr. MARTIN (*Essex East*): On a point of order, Mr. Chairman—

Mr. DRYSDALE: No, you don't.

Mr. MARTIN (*Essex East*): May I say it is not possible for an honourable gentlemen, when another member is speaking, to get up and make a motion interrupting what that gentleman is saying. That is exactly what is now suggested, and I would take my place only at the suggestion of the chair, but I have the floor and I was rudely interrupted by Mr. Pigeon who, I am sure, did not mean to be rude.

The CHAIRMAN: Mr. Martin, I believe if you look up the rules you will find that if a member of a committee feels that what a certain member is speaking about is not admissible, then he can make a motion that what he is speaking about cannot be read.

Mr. MARTIN (*Essex East*): Yes, but I do not believe it is possible to do that. I have not even started to read this letter; I have not quoted one word from this letter. But what I am saying is that this letter is in the hands of every member of this committee—

Mr. DRYSDALE: He is sneaking in his argument, Mr. Chairman.

The CHAIRMAN: Mr. Martin, what I am afraid of and have been trying to avoid—and I have tried to keep the members on a straight line—is getting into any argument or bringing up any questions or any answers that would have any dealing at all with the accused. I am just afraid, if you bring in this letter of the solicitor for the accused, that there is every possibility that you will overstep the line.

Mr. MARTIN (*Essex East*): Mr. Chairman, I appreciate the caution and the care that you are taking in this matter.

Mr. DRYSDALE: I would still like to speak to the motion.

Mr. MARTIN (*Essex East*): May I address myself to the chair, and will my young, irrepressible friend take his seat?

Mr. DRYSDALE: I realize, on a point of privilege, that the Liberal party is against youth, and they have said so several times in the House—

The CHAIRMAN: No mention of parties, please.

Mr. DRYSDALE: He has referred to my youth, and I am elected like any other member of parliament, and I am entitled to take my seat and speak, just as much as he is. There was a motion put by Mr. Pigeon, and I stood up to be recognized.

The CHAIRMAN: I have asked Mr. Martin not to read it.

Mr. MARTIN (*Essex East*): And I want to address myself to that.

Mr. DRYSDALE: How did he manage to hedge in ahead of me, Mr. Chairman, on this particular motion, when I stood up?

Mr. HORNER (*Acadia*): He never sat down.

Mr. DRYSDALE: Let us get that cleared up.

The CHAIRMAN: I think, in all fairness, Mr. Drysdale should be allowed to say something on this and then we can hear you after that, Mr. Martin.

Mr. MARTIN (*Essex East*): That is very fair, Mr. Chairman.

Mr. DRYSDALE: That is the only point I was trying to make right from the start.

This letter has been circulated among all the members of the committee. We have seen it and, in my opinion, to read the letter at this particular time is likely to prejudice the hearing of the accused.

The only thing I want to refer to, in what Mr. Martin has been discussing, is a very excellent editorial in the *Montreal Star*, which Mr. Martin heartily endorsed this morning, and that is the editorial of Monday, May 2.

The reason I refer to this particular editorial is that there are certain statements in there that have been in the newspapers concerning this particular hearing.

The editorial is headed:

The Bridge Probe and the Courts.

I will not read it all, Mr. Chairman, but it says:

The committee is concerned lest its hearings cut across the court cases and prejudice the trial of criminal charges. This is a wholly laudable purpose. No one would wish to see the trials prejudiced by

anything said in Ottawa. Since arrests were made the committee has been careful not to mention the names of men arrested or to allow anything affecting them as toll collectors to get on to the record. Some committee members have made a few slips but the chairman has corrected them. It can be said confidently that nothing done so far has prejudiced fair trials.

Judge Cloutier, the special judge conducting the preliminary inquiry here is fully aware of the danger of having two inquiries proceeding at the same time. When defence counsel tried to secure a delay in the preliminary inquiry Judge Cloutier remarked that "tension might be created by politicians pursuing a purpose other than that pursued here in court". He added that he had no intention of allowing outside pressures or tensions to invade the court. "The day when I see that such tension has become too strong, I shall reconsider."

What Judge Cloutier is saying is that he will see to it that the rights of the accused are not prejudiced. In effect he is telling the parliamentary committee that so long as it stays within its terms of reference its deliberations will not interfere with the conduct of the court cases. The proper course, then, is for the parliamentary committee to stay within its terms of reference, investigate the administration of the bridge, being careful not to bring into the hearings the names of persons now before the courts.

The reason I adopt that is that it concisely states my own feelings in words much quicker than perhaps I could do myself. Judge Cloutier is well aware of the hearings which are going on. Mr. Martin, who is well aware of the British traditions of justice is aware that the defence counsel will very quickly draw to the attention of the judge any subject matter that is sub judice. What Mr. Martin is doing is trying to bring in all such matters which are sub judice including this letter. What we as a committee are doing is trying to get on to the question where there is very little danger of infringing on matters which are sub judice.

As Mr. Baldwin said, it is up to the chairman and the members to see that nothing is done to disrupt the proceedings. For this reason I do not think this letter which Mr. Martin wants to read should be introduced at this time. It adds nothing and merely clouds the issue.

The CHAIRMAN: You have heard the motion.

Mr. MARTIN (*Essex East*): Mr. Chairman, you asked me not to read this letter.

The CHAIRMAN: I do not want any lengthy editorials either.

Mr. MARTIN (*Essex East*): You have asked me not to read the letter. I have the strong view that the letter is one which should be read, but I will not add to your problems at this time. I will leave it to each member of this committee to consider whether, in the most objective assessment of our respective responsibilities, we can proceed to discharge our function by ignoring a letter which has been sent to this committee through the chairman from one of the counsel of the accused. However, the submissions of that counsel are there.

I now am saying to this committee—and I am sure the lawyer members of this committee will appreciate why I am saying this—we will regret in the months ahead if we take a decision contrary to that recommended to us last week by the chairman of this committee.

Anyone who has had some experience in the criminal courts knows I have not made a mis-statement when I made the one I have just made.

What is the situation before us? What is all this argument about? It is as to whether or not we should continue in the light of these proceedings which are taking place elsewhere and in the light of the decision the chairman made last week.

The CHAIRMAN: You are getting away from the motion.

Mr. MARTIN (*Essex East*): No. We have a statement from the law officer of the crown who is present today.

The CHAIRMAN: No. It is on the letter first.

Mr. MARTIN (*Essex East*): I am not going to read the letter at this time.

The CHAIRMAN: We have a motion before this committee. I would like to have the committee's opinion on that letter. The motion is that the letter from Mr. Ferland dated April 23, 1960, be not now read. All in favour?

Mr. CHEVRIER: Would you kindly repeat that.

The CHAIRMAN: That the letter dated April 23, 1960, from Mr. Ferland be not now read.

Mr. CHEVRIER: My understanding was that this letter was referred to the steering committee and that the steering committee decided to seek the advice of the Minister of Justice on the matter; and it is this letter which has brought up this whole discussion.

My recollection is that at the steering committee meeting at which I was present it was decided to obtain the views of the Minister of Justice on the letter and, unless I am wrong, I understood the Minister of Justice to say he would rather not make a comment on the letter and he felt rather that the counsel for committees should give his opinion.

The CHAIRMAN: That is right.

Mr. CHEVRIER: I believe that is what counsel has done this morning. In the face of that we have not disposed of the letter. Either it goes back to the steering committee or we dispose of it here. It is, however, a letter, and we have obtained the advice of counsel on it. The matter is still in suspension. Notwithstanding that there is a motion that the letter be not dealt with by the committee. I think the committee must take some action in respect of the letter one way or the other.

The CHAIRMAN: We had a main motion before this committee. If we get into this letter at the present time we will get away from the main motion. Therefore, this letter should be dispensed with. My feeling is if it is taken up at the present time that would not be the proper thing to do. That is the way I feel about it—that it should not be discussed at the present time.

Mr. CHEVRIER: Then when do you, as chairman, suggest that the letter is considered?

The CHAIRMAN: At one of our other meetings which we might have after the first motion is carried or not carried.

Mr. DRYSDALE: If we do not proceed it will not be divulged.

The CHAIRMAN: That is up to the committee to decide. The question is whether or not this letter should be read at this time. It says "Now read".

Mr. CHEVRIER: Then, Mr. Chairman, would it not be in order to move an amendment that this letter be referred to the steering committee.

The CHAIRMAN: The steering committee have had it before them.

Mr. CHEVRIER: You are now bringing it back to the main committee.

The CHAIRMAN: No. I never brought it back.

Mr. CHEVRIER: Should we not have some determination of the point here. I do not care whether it is now or later. It has gone to the steering committee and comes back here and we take no action.

The CHAIRMAN: Mr. Chevrier, as chairman I feel that this letter from a man who is defending the accused should not be read at this time. That is the way I feel about it.

Mr. CHEVRIER: I entirely disagree with that.

Mr. MARTIN (*Essex East*): I think that this letter should be read, but because the chairman is obviously seeking to steer a most objective course, I am prepared at this time—but I remind every member of this committee that we had an obligation which I felt was not discharged when we precluded consideration at the time of this letter. I am not, however, going to press the matter because of the attitude taken by the Chair; but I do not think this committee can absolve itself of the responsibility of taking note at some time of the very serious allegations made by a lawyer representing an accused in this particular action.

Mr. JOHNSON: Mr. Chairman, I want to move, as an amendment to Mr. Pigeon's amendment, that this letter follow the course of all other letters, pursuant to the report of the special committee—the steering committee—which was agreed to by the main committee, which stated that all the letters including a score of letters from Mr. Ferland be kept confidential. I move this amendment.

The CHAIRMAN: Would you kindly explain that. They cannot be kept confidential.

Mr. JOHNSON: All the letters from Mr. Ferland have been kept confidential. Mr. Chevrier has asked that we have a ruling on this letter. I make the motion that this letter be not read at all to the committee.

The CHAIRMAN: That is contrary to the motion. It is a negative amendment.

Mr. JOHNSON: The word "now" appears at the end of the motion. I would strike off the word "now".

Mr. DRYSDALE: I wonder if Mr. Martin might possibly be agreeable at this time to withdrawing his desire to read the letter until we have disposed of the main motion. If the vote is such that we do not decide to go on, then that disposes of the letter. If we do decide to go on, I think the matter perhaps could again be given consideration by the subcommittee, if Mr. Martin would be agreeable to that procedure. I do not think anything will be advanced now by having a vote on this particular letter.

Mr. MARTIN (*Essex East*): Let us proceed with the main motion. My argument, of course, is that the matter is one which is sub judice. I understand your suggestion to be that with that matter disposed of, then we will deal de novo with the letter.

Mr. DRYSDALE: Yes; as to whether or not it will be referred to the subcommittee.

Mr. MARTIN (*Essex East*): No. We deal with the letter de novo. We deal with it as being a new matter.

Mr. DRYSDALE: I do not want to be confused by your Latin.

The CHAIRMAN: Gentlemen, we have had this motion by Mr. Pigeon, seconded by Mr. Monteith, that the letter not now be read.

Mr. PIGEON: I withdraw my motion.

The CHAIRMAN: The motion has been withdrawn by Mr. Pigeon and Mr. Monteith his seconder agrees.

Mr. JOHNSON: I have to withdraw my amendment also because Mr. Pigeon has already withdrawn his motion.

The CHAIRMAN: Now we have the main motion before us.

Mr. MARTIN (*Essex East*): May I address myself briefly to the motion? I thank the members of the committee for the patience which they have exercised in allowing me to make what I think is the argument with regard to an extremely important matter. Now I do not feel that the rules permit our deciding this matter. I think the rules are clear in *Erskine* beyond any shadow of doubt, that the responsibility is that of the chairman to determine whether or not this is sub judice.

I have great confidence, as I am sure all members of the committee have, in the chairman, and I hope that the arguments which I have put forward in all sincerity today will assist the chairman in the reinforcement of the position which he has already declared, and which I think in the circumstances is sound, fair and just.

The CHAIRMAN: I have made a list. First, Mr. McGregor? Do you wish to say anything to the main motion?

Mr. MCGREGOR: No.

The CHAIRMAN: Mr. Pigeon was next?

Mr. PIGEON: No.

The CHAIRMAN: Then Mr. Baldwin. Mr. Baldwin?

Mr. BALDWIN: I want to make a few comments to confirm the remarks I made this morning. I have looked up two authorities in view of Dr. Ollivier's comment from the legal aspect, and I would refer him and the committee to those two authorities to confirm and buttress my opinion of what has been said of the course which this committee proposed to take, if the motion of Mr. Pigeon is adopted, and not deal with matters which are sub judice.

There was a famous trial held in British Columbia when one of the ministers of the crown was charged and involved in certain proceedings. A statement was made by a man prominent in political life which was seized upon by counsel for the minister, and a summons for contempt was taken out against Mr. Dean Finlayson, I think it was. In looking at the list of counsel I observed that he was defended by the present Prime Minister and by Mr. Guest.

I think the question of whether or not a matter is in contempt of proceedings then pending, and whether it is sub judice are on all fours and parallel.

Here are the very simple words which form the opinion of Mr. Justice Wilson: he said—

A litigant or accused person is entitled to present his cause to a tribunal which has not been exposed to a barrage of ex parte statements as to the subject matter of the cause before it. But it is not correct to say that every reference to a pending cause is objectionable, and a reference which may appear *prima facie* to be objectionable may be justified by special circumstances.

Undoubtedly if Mr. Martin is able to suggest that such a situation existed here he might be correct. And in the concluding paragraph the learned trial judge said:

Democracy cannot be maintained without its foundation: free public opinion and free discussion throughout the nation of all matters affecting the state within the limits set by the Criminal Code and the common law.

And then there is another case in British Columbia which is more to the point, where there were a substantial number of newspaper comments made in 1957, in the case of a man charged with murder. The daily newspapers had both quoted almost verbatim statements made by this accused person. The reporter who reported the case had gone into great detail, and that was printed in the newspapers.

The report of the trial judge included the following:

The three articles in question, one in the Province and two in the Vancouver Sun, obviously are intended to be and are in fact, so far as the material before me shows, factual reports of what the reporter learned as a result of his interviews with the Steinkes and Pinchin. Nowhere in any of the articles is there any expression of opinion by the writer nor any statement of fact other than those gleaned from the witnesses. It is the business of newspapers to gather and publish information to their readers of matters of public importance and that right will not be interfered with unless the higher right of the courts to determine the guilt or innocence of an accused is thereby prejudiced or interfered with. In the present instance I can find no such interference or prejudice. Both papers had a perfect right to publish what appeared in the articles in question and there has been no prejudice to the accused as a result thereof. Neither newspaper attempted to fix guilt upon the accused or to suggest what the verdict in his case should be or to anticipate the result of his trial.

Surely the matters referred to in these newspapers went far beyond the evidence that has been produced before this committee. And if the newspapers were not guilty of contempt of court, I cannot see how matters which are evidence here can be sub judice of the criminal trial.

Mr. DRYSDALE: Very briefly, I have just two points: the first one is the one which Mr. Martin dealt with very casually, if I may say so, when he said that it was a matter before the court. At no time has he ever attempted to delineate what that matter is, and with all respect I think that neither did Dr. Ollivier. He said he was not in a position to delineate the matter.

My second point is that the question is whether this is to be decided by you or to be decided by the committee.

In citation No. 288 at page 237 of Beauchesne, it says:

Committees are regarded as portions of the house and are governed for the most part in their proceedings by the same rules which prevail in the house.

Every question is determined in a committee in the same manner as in the house to which it belongs.

I think that should dispose of Mr. Martin's argument.

Mr. DESCHATELETS: I would like to add only a few words. We are going to vote against this motion for the reasons given by the member for Essex East, if the motion is dealt with, because of the jurisprudence he has cited, and also because of the facts he has given us from the deliberations of the minutes of this committee up to this time.

In doing so Mr. Chairman, we are supporting the opinion already expressed by the R.C.M.P., by the chairman of this committee, and also by the counsel of this committee.

The CHAIRMAN: Mr. Deschatelets, when I brought this matter up last Thursday I did so in order to bring it to a head, and to find out whether the committee wanted to continue or not. The only way I could find out whether or not the committee wanted to continue was to ask for a motion to adjourn at the call of the chair. Out of that has come our meetings of this morning and this afternoon. The chairman can give an opinion, but I think that in this case it is entirely up to the committee to make its decision. It is not up to the chairman to make the decision.

Mr. DESCHATELETS: Would you permit me, Mr. Chairman, to say that I was referring to the opinion you had given at the last meeting last week, and not at the meeting of this morning.

Some hon. MEMBERS: Question.

Mr. MARTIN (*Essex East*): Mr. Chairman, may I just ask for clarification, because apparently this question is going to have to be decided in the most unusual manner by this committee.

Mr. CAMPBELL (*Stormont*): It is not an unusual manner.

The CHAIRMAN: It is not an unusual manner; it is always the committee that decides.

Mr. MARTIN (*Essex East*): What I wanted was just for clarification. As I say, I am strongly of the view that we have to be guided by the chairman. Do I understand that you have discussed this matter, not only with Mr. Ollivier, but with the Minister of Justice, and that as a result of these consultations you are satisfied with the opinion which you gave last week, and that the only modification is that you feel the matter ought to be decided by the committee as a whole? Is that the position, that your own view, Mr. Chairman, was as a result of these consultations, stated by you last week—is it that the situation?

The CHAIRMAN: Mr. Martin, this morning I read out what the subcommittee had to say yesterday about the procedure that was raised at the last meeting:

The Hon. E. D. Fulton attended. The subcommittee consulted with him informally in regard to the above-mentioned *sub judice* problem.

The minister explained that it is not his function as Minister of Justice to advise the committee as to how it should conduct its proceedings. He did say, however, that as attorney general of Canada he had a concern to see that the trial of the accused toll collectors before the courts was not prejudiced.

Mr. MARTIN (*Essex East*): And that was based on the view that you took before, when you raised this matter?

The CHAIRMAN: The steering committee had that, and it was read to the steering committee yesterday afternoon. That is the way the minister felt at that time.

Mr. CHEVRIER: Was it not your view last Thursday, I believe, Mr. Chairman, that we should not proceed at that time?

The CHAIRMAN: Last Thursday I asked that someone move a motion that we adjourn at the call of the chair, on account of the situation. What I wanted to do at that time—and I do now—was to clear up the whole matter and find out whether we should, or should not, sit.

There were some people of all parties asking the question, and I thought that it should be decided definitely. That is why I asked for a motion.

We had a discussion this morning and we have had a discussion this afternoon. Many views have been given, and I feel it is now up to the committee.

Mr. CHEVRIER: Mr. Chairman, may I ask another question. Even this morning, was it still not your view that we should adjourn for two or three weeks? I believe that is what you said.

The CHAIRMAN: I think I have a copy of that right here.

Mr. JOHNSON: I do not see that you are obliged to discuss this matter, Mr. Chairman. You have to make decisions, not discuss your views with the members of the opposition.

Mr. CAMPBELL (*Stormont*): It is the decision of the committee. This is irrelevant.

The CHAIRMAN: We want to be fair to everyone; we want to have this fully discussed.

I said this morning that my thought last week was that if we adjourned for a couple of weeks, then perhaps we would not have the restrictions on us that are necessary at the present time. The restrictions are such that it is hard on the chairman to try and keep the members from saying something they should not say, asking questions they should not ask, and answers being given that should not be given. That is what I said this morning.

I do not know how the committee feels. It is up to the committee entirely. Do we have this motion?

Some hon. MEMBERS: Question.

Mr. MARTIN (*Essex East*): Mr. Chairman, I just want to make one thing clear before we vote. I certainly am going to vote in accordance with what I understood, and believe now, to be the recommendations of the chairman of this committee, who has discussed this matter with the Minister of Justice and with the law officer of the crown.

It is a most amazing thing for us to proceed—

Mr. CAMPBELL (*Stormont*): It is not an amazing thing at all.

Mr. MARTIN (*Essex East*): —in the face of this situation now, with the Minister of Justice not being here to confirm or deny the position taken by the law officer of the crown and so ably and honourably stated by the chairman of the committee.

The CHAIRMAN: Mr. Martin, you put this on my shoulders, and I do not think you should do that. As chairman, I am only here to try and keep the members in line and to try and give fair decisions. But in this matter it is entirely one for decision by the committee itself. They are the ones who have to decide what they want: it is not for me to decide.

Mr. DRYSDALE: Question.

Some hon. MEMBERS: Question.

The CHAIRMAN: Therefore, I think that the only thing to do is to put the motion. It has been put before. Now the question. Those in favour with the committee continuing with its considerations? Those in favour will kindly indicate.

The CLERK OF THE COMMITTEE: Sixteen yeas.

The CHAIRMAN: Those opposed?

Mr. DRYSDALE: Only one hand there, Mr. Denis.

The CLERK OF THE COMMITTEE: Seven.

Mr. JOHNSON: How many conservatives, with Mr. Fisher?

The CHAIRMAN: Yeas, sixteen; nays, seven. Motion carried.

Mr. MARTIN (*Essex East*): Mr. Chairman, I would just like to give an explanation—

The committee has now decided in this proceeding to continue the inquiry, and the chair has asked us to carefully observe the proceedings that are taken outside. I am sure that we all will endeavour to do that, but I want it clearly understood that in taking the position that we did, we were not supporting a desire to stifle this inquiry, because we want the fullest inquiry. Now that the committee has decided on that, there will be the fullest endeavour made by those of us sitting in this group to have the fullest inquiry.

The CHAIRMAN: I hope, Mr. Martin, that every member of the committee will see that a full inquiry is made of every phase of the administration of the Jacques Cartier bridge and the Victoria bridge.

Mr. CAMPBELL (*Stormont*): Mr. Chairman, in the interests of the fullest inquiry, several weeks ago I requested that letters concerning recommendations for bridge toll operators be produced, any letters from 1945 to 1954, so that we would have the fullest and fairest information available on which to assess this aspect of the problem.

I believe Mr. Beaudet indicated at that time that the letters during this period may or may not have been destroyed. I have had no reply confirming this one way or another. If they have been destroyed, I would like to get the authority, the minute, the authorization approving the destruction of these letters, who did it, the minute itself and the date of this authorization.

The CHAIRMAN: Mr. Campbell, I will ask the clerk of the committee to check into this with Mr. Beaudet and see what progress has been made. Gentlemen, we have no witnesses before us this afternoon.

It has been suggested by your steering committee that Mr. Côté and Mr. Henderson of the Canadian National Railways be called for Thursday; and Mr. Chevrier said he would like Mr. Shea to be called, as there were some questions he would like to ask him, which he did not have a chance to ask the other day. Does that meet with your approval?

Mr. CAMPBELL (*Stormont*): Mr. Chairman, in all fairness, would it not be indicated that in view of the fact that Mr. Marler, one of the witnesses, is going to be engaged fully in the near future, that he be called prior to the provincial convention, in order to free him for his more onerous duties?

The CHAIRMAN: That will be up to the steering committee.

Mr. MARTIN (*Essex East*): I take it, Mr. Chairman, that the Associate Minister of National Defence will have returned from his world engagement in time to permit the consideration of his appearing before this committee.

The CHAIRMAN: These matters will be taken up with the steering committee. I will ask the clerk to make note of them. A meeting of the steering committee will be held tomorrow afternoon.

In the meantime, we are requesting Mr. Henderson and Mr. Côté, C.N.R. officials, to appear before us, on the Victoria bridge. We are also asking Mr. Shea if it would be possible for him to be here on Thursday.

Mr. JOHNSON: Did I hear you say that we have a meeting of the steering committee tomorrow afternoon?

The CHAIRMAN: Yes.

Mr. JOHNSON: Would it be possible to have it early in the morning?

The CHAIRMAN: Yes, we could have it then, if all were agreeable.

Mr. FISHER: There are three other committee meetings going on in the morning.

Mr. MARTIN (*Essex East*): Mr. Chairman, we have to decide today, at the next meeting, or some other meeting, what we are going to do about the second letter from Mr. Ferland. That matter has not been disposed of, as we acted on the suggestion of Mr. Drysdale that we would await the passage of the main motion. That has been done, and we have to give consideration to that now, or at the next meeting. It is a very important matter.

Mr. DRYSDALE: Do you think this could again be referred to the steering committee, while it is discussing the other matters?

Mr. MARTIN (*Essex East*): It already has gone to the committee. I am not on it. I feel this is a matter of the greatest importance, and I would like to discuss it.

The CHAIRMAN: First of all, Mr. Martin, I inquired in regard to these witnesses we wished to call, and I understood the committee agreed to call these men for Thursday.

Mr. McPHILLIPS: For what purpose are these men being made available? Are they the men who made the investigation?

The CHAIRMAN: Mr. McPhillips, we have to investigate the Victoria bridge as well as the Jacques Cartier bridge.

Mr. McPHILLIPS: Surely we do not want to get on to the Victoria bridge at this time.

The CHAIRMAN: We cannot obtain other witnesses at the present time. They will not be available until next Tuesday. As these men are available, we thought we could proceed with them on Thursday. We will have other witnesses for next Tuesday.

Mr. McPHILLIPS: How about this man, Mr. Shea? Was he not an investigator?

The CHAIRMAN: Yes.

Mr. JOHNSON: He was here last week.

The CHAIRMAN: Mr. Shea was here in regard to the Jacques Cartier bridge, and Mr. Chevrier wants to ask him some more questions. He was not finished with him, and wants him back again.

Mr. McPHILLIPS: You denied it this morning, Mr. Chairman. You said we are not bound by the steering committee; now you are saying we are going to get the witnesses to which the steering committee agrees. I do not agree. We should be told who these witnesses are and on what facts they are going to give evidence. In this way we would be prepared to question them. My view is that it is the height of folly to go headlong into the Victoria bridge now, as we have not nearly completed the Jacques Cartier bridge.

The CHAIRMAN: No, but we can get these three witnesses now. I believe Mr. Shea can come, and his evidence concerns the Jacques Cartier bridge.

Mr. McPHILLIPS: What are they going to talk about? Are they toll collectors, executives, counsel, or what are they?

The CHAIRMAN: Mr. Henderson is the general manager of road transport for the C.N.R., and Mr. Côté is assistant general solicitor for the C.N.R. Mr. Donald Gordon suggested that they be called.

Mr. McPHILLIPS: I do not see what Donald Gordon has to do with it. What is the use of a C.N.R. solicitor?

The CHAIRMAN: It concerns the Victoria bridge, and these are the men Mr. Gordon thought would know more about it than anyone else.

Mr. McPHILLIPS: I must say that I do not follow it, but if the steering committee is sold on it, I will not object unduly.

The CHAIRMAN: In regard to this letter, Mr. Martin, as chairman I personally feel that owing to the fact that the solicitor who wrote it is the solicitor for the accused, it might have more to do with affecting the case than anything else, and I do not know whether we should discuss it at the present time. That is my feeling on it.

Mr. CHEVRIER: May I make a suggestion to you. If that is your feeling, I am sure none of us here would want to quarrel deeply with it; but do you not think the matter should be referred to the steering committee, in light of the discussion that has taken place, so they may consider it and decide what action, if any, should be taken?

The CHAIRMAN: The steering committee decided that they would put it before this committee, and I am just afraid that questions might be asked, in regard to this letter, which might have something to do with the case.

Mr. MARTIN (*Essex East*): I would support the suggestion made by Mr. Chevrier, on the understanding, however, that it does not preclude the raising

of a question of privilege by Mr. Campbell, who is very greatly involved in that letter. I am not only rising to defend you; I am also rising to point you out. I just say that I think Mr. Campbell has a right to rise on a question of privilege, because of references made to him in that letter by the counsel concerned. But, if that is the case, Mr. Campbell himself has been the main provocation of much of that letter, because of statements made by him as a member of this committee; and it can be regarded as being very dangerous, to the point of affecting criminal proceedings outside this committee. He has no one to blame but himself.

Mr. CAMPBELL (*Stormont*): Mr. Campbell is not complaining about anything, and he will accept full responsibility for everything he said—and it is on the record—as he always does. I also insist that if this letter is read in whole or in part, that he have the opportunity, as a matter of privilege, of proving the misrepresentation, on which this letter is based—and it is so close, it appears to be deliberate.

I suggest to Mr. Martin, or anyone else, that this misrepresentation would probably act more to the jeopardy and prejudice of the counsel who behaved in such an unethical manner, than anything else that could be done.

I would be delighted to see it raised, and gone into.

Mr. DRYSDALE: Refer it to the steering committee.

Mr. MARTIN (*Essex East*): Is Mr. Campbell a member of the steering committee?

The CHAIRMAN: No.

Mr. MARTIN (*Essex East*): I think Mr. Campbell ought to be given every opportunity to defend himself.

Mr. CAMPBELL (*Stormont*): It is not a case of defending myself.

Mr. DRYSDALE: Let us have the matter referred to the steering committee, without too many inuendoes being brought in by Mr. Martin. We can discuss it there.

The CHAIRMAN: It has been before the steering committee, and they referred it back to this committee.

Mr. DRYSDALE: I think it should be sent back to the steering committee in light of the dissertations of Mr. Martin and other observations made today. It could be examined to see whether it is likely to prejudice the particular trial that is going on.

Mr. JOHNSON: Is this an observation, or a marathon?

The CHAIRMAN: Well, gentlemen, I have to act as referee in these matters—

Mr. JOHNSON: Good luck!

The CHAIRMAN: —and it is very difficult to do it, and I feel at the present time we should not go into this letter any more than we have at present because, as I mentioned before, it may not prejudice the case but it may affect it in some way. That is the way I feel about it, and I hope—

Mr. DENIS: That being the case, we cannot discuss the point of privilege raised by Mr. Campbell.

The CHAIRMAN: Mr. Campbell discussed that this morning. He brought that matter up this morning in regard to Mr. Ferland's letter.

Mr. MARTIN (*Essex East*): I think we all want to assist you, Mr. Chairman, and I would suggest this preliminary canter on this letter possibly will justify considering this matter overnight. We may want to exercise our privilege of raising it at the next meeting, but we do want to give the chairman every support.

As I said earlier, I am very anxious to support one of the members of this committee who, I feel, should be given the opportunity of defending himself.

Mr. CAMPBELL (*Stormont*): The only person who needs any defence around here is the writer and author of these misrepresentations in supporting these inuendos.

Mr. DRYSDALE: I move we adjourn.

The CHAIRMAN: I have a motion from Mr. Drysdale we now adjourn.

Mr. PIGEON: I second that.

The CHAIRMAN: The committee will meet again on Thursday at 9.30 a.m., in this room.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANaux ET LIGNES TÉLÉGRAPHIQUES

(Page 790)

M. ASSELIN: Monsieur le président, je voudrais savoir jusqu'à quand cette enquête-là sera arrêtée?

* * * *

(Page 791)

M. ASSELIN: Est-ce que le ministre de la Justice a indiqué que nous devrions arrêter les procédures du comité durant l'enquête préliminaire seulement ou pendant le procès aussi?

* * * *

M. PIGEON: Même si nous ne prononçons pas les noms des accusés, il n'y a aucune possibilité de continuer?

* * * *

M. PIGEON: Seulement une dernière question. Pour prendre cette décision, est-ce qu'on s'est "basé" sur la lettre qui a été adressée par l'avocat des accusés?

* * * *

(Page 792)

M. PIGEON: Pensez-vous que si nous ajournons, par le fait même, nous créons un précédent, est-ce que ça montre que le comité est inférieur, le comité des membres du Parlement est inférieur, perd, autrement dit, ses droits démocratiques?

* * * *

M. PIGEON: Parce que je ne voudrais pas qu'on laisse l'impression au peuple canadien que nous, autrement dit, que nous n'avons aucun pouvoir de regard si une chose est devant une cour de justice?

* * * *

(Page 793)

M. PIGEON: Je pensais que, par le fait qu'il a été prouvé qu'il y avait eu du vol et du coulage, c'était suffisant pour permettre aux membres du Parlement de continuer l'enquête, c'est tout.

* * * *

(Page 795)

M. PIGEON: Monsieur le président, je proposerais que le comité continue quand même son travail.

M. PIGEON: Je maintiens toujours ma proposition.

* * * *

(Page 796)

M. PIGEON: Monsieur le président, j'ai beaucoup de respect pour l'"aviseur légal" qui est ici, mais je "m'objecte" à cela.

* * * *

M. PIGEON: Je "m'objecte". Comme j'ai dit tout à l'heure, j'ai beaucoup de respect pour M. Ollivier, ici, l'"aviseur légal", mais je "m'objecte" à ce qu'il parle sur ce sujet. Je crois que les membres de ce comité ont entière autorité pour juger de la situation.

* * * *

(Page 798)

M. PIGEON: Yes, I have a remark. All newspapers in the country wrote articles, and I remember—Pardon me if I continue in French.

I remember the newspaper *La Presse*, une caricature où on lisait, par exemple, "La danse des millions", et où l'on faisait allusion... et je me demande, je voudrais demander au D^r Ollivier ce qu'il pense des articles écrits dans tous les journaux du pays, des spéculations, ce que pensent les journaux du pays, ceux qui sont en dehors du pays?

(Page 806)

M. JOHNSON: Monsieur le président, M. le député d'Essex-Est, comme d'habitude, a voulu lancer une affirmation en preuve, et ensuite il est obligé d'aller aux sources pour essayer de la prouver. J'ai beaucoup de...

Monsieur le président, M. le député d'Essex-Est affirme une chose et ensuite veut aller aux sources pour essayer de prouver ce qu'il a dit. C'est pourquoi je n'ai aucun scrupule à accepter le compliment qu'il m'a fait au sujet de ma grande expérience.

M. CHEVRIER: Je vous admire beaucoup.

M. JOHNSON: Et je me crois justifié de vous demander si l'expérience se compte par le nombre d'années de pratique ou par le bluff?

* * * *

M. JOHNSON: Mon affirmation, monsieur le président, est à l'effet... Pourrais-je ajouter à ceci, monsieur le président, M. Martin vient de me faire un compliment très mérité.

* * * *

(Page 811)

M. MARTIN (*Essex-Est*): Here is what Mr. Pigeon says:

Je pensais que, par le fait qu'il a été prouvé qu'il y avait eu du vol et du coulage, c'était suffisant pour permettre aux membres du Parlement de continuer l'enquête, c'est tout.

M. PIGEON: Je soulève une question de prévilège. Je n'ai jamais donné de précision, je n'ai pas nommé de noms, je me suis tout simplement inspiré des articles qui ont été écrits dans les journaux à travers le pays.

(Page 812)

M. MARTIN (*Essex-Est*): C'est la confirmation de ce que je viens de dire.

M. PIGEON: Je n'ai jamais précisé, je n'ai pas donné de noms. J'ai dit simplement ce que le peuple canadien pense, d'un océan à l'autre, concernant la mauvaise administration.

* * * *

M. PIGEON: Je soulève encore un point d'ordre.

M. PIGEON: Je n'ai pas donné de noms, je n'ai pas fait de précisions.

M. DESCHATELETS: C'est pire, ça affecte tout le monde cela.

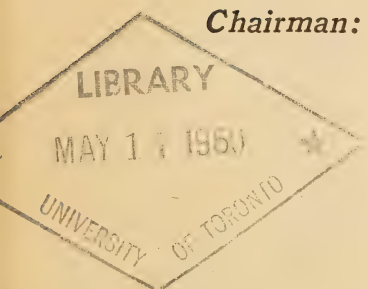
HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960

STANDING COMMITTEE
ON
**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Chairman: GORDON K. FRASER, ESQ.



PROCEEDINGS

No. 14

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

THURSDAY, MAY 5, 1960

WITNESSES:

Messrs. Lionel Côté, Q.C., Assistant General Solicitor, and L. J. Henderson, General Manager of Road Transport, both of Canadian National Railways; and Dr. P. M. Ollivier, Law Clerk of the House.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: Gordon K. Fraser, Esq.

Vice-Chairman: W. Marvin Howe, Esq.
and Messrs.

Allmark,	Drysdale,	McPhillips,
Asselin,	Dumas,	Monteith (<i>Verdun</i>),
Badanai,	Fisher,	Pascoe,
Baldwin,	Garland,	Payne,
Bell (<i>St. John-Albert</i>),	Grills,	Phillips,
Bourbonnais,	Herridge,	Pigeon,
Bourget,	Horner (<i>Acadia</i>),	Pratt,
Bourque,	Horner (<i>Jasper-Edson</i>),	Rapp,
Brassard (<i>Chicoutimi</i>),	Johnson,	Rogers,
Brassard (<i>Lapointe</i>),	Keays,	Rynard,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Smith (<i>Calgary South</i>),
Bruchési,	Lessard,	Smith (<i>Lincoln</i>),
Cadieu,	MacInnis,	Smith (<i>Simcoe North</i>),
Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Thompson,
Campeau,	Martin (<i>Essex East</i>),	Tucker,
Chevrier,	Martini,	Valade,
Chown,	Michaud,	Wratten—60.
Creaghan,	McBain,	
Crouse,	McDonald (<i>Hamilton South</i>),	
Denis,	McGregor,	
Deschatelets,		

Eric H. Jones,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, May 5, 1960.
(24)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Asselin, Bell (*Saint John-Albert*), Bourget, Browne (*Vancouver-Kingsway*), Bruchesi, Campbell (*Stormont*), Chevrier, Deschatelets, Drysdale, Fraser, Horner (*Acadia*), Keays, MacLean (*Winnipeg North Centre*), Martin (*Essex East*), McBain, McPhillips, Pascoe, Payne, Phillips, Pigeon, Rapp, Rogers, Smith (*Simcoe North*) Thompson, Tucker and Wratten—26.

In attendance: Messrs. Lionel Côté, Q.C., Assistant General Solicitor and L. J. Henderson, General Manager of Road Transport, Mr. Walter Smith, Executive Representative, all of Canadian National Railways; Mr. Maurice Archer, Chairman, National Harbours Board; Mr. G. Beaudet, Port Manager, Montreal Harbour; and Dr. P. M. Ollivier, Law Clerk of the House.

The Committee resumed its consideration of the toll-collection operations at the Jacques Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

The Chairman reported that the Subcommittee on Agenda and Procedure had met on May 4th and had agreed to recommend that the letter to the Chairman from Mr. Pothier Ferland dated April 23rd be filed with the Chairman for future reference, and that Messrs. Murphy, Roberts and Poole be summoned to appear before the Committee on Tuesday, May 10th.

The Committee concurred in the said recommendation regarding Mr. Ferland's letter. On motion of Mr. Browne (*Vancouver-Kingsway*), seconded by Mr. Smith (*Simcoe North*),

Resolved,—That Messrs. Murphy, Roberts and Poole be summoned to attend on Tuesday, May 10th.

Messrs. Côté and Henderson were called and sworn. The interpreter, Miss Paulette Cyr, continued to be under oath.

Mr. Côté read a statement entitled "Historical Notes re Victoria Bridge" appended to which was a Tariff of Tolls on the Victoria Bridge in effect October 15, 1900. Copies of the said document were distributed to members present.

Two samples of tariffs of tolls on the Victoria Bridge were tabled, being the tariff effective October 1, 1954 and the tariff currently in effect. Copies thereof were distributed to members present.

On motion of Mr. Drysdale, seconded by Mr. Horner (*Acadia*),

Resolved,—That the said two tariffs be printed as appendices to this day's proceedings. (*See Appendices "A" and "B" hereto.*)

Messrs. Henderson and Côté were questioned on the toll-collections on the Victoria Bridge. During the questioning sets of 6 photographs of the Victoria Bridge were circulated. Mr. Côté produced a Seniority List of Em-

ployees, Toll-collection Operations, Victoria Bridge, for the period January 1, 1955 to March 31, 1960. The Committee agreed that the said list be printed as an appendix to this day's proceedings. (*See Appendix "C" hereto.*)

Mr. Chevrier requested production of a list of employees on toll-collection operations who had been discharged during the period January 1, 1955 to March 31, 1960. Mr. Côté stated that there had been four such employees and that their relevant details are included in the Seniority List of Employees which we had earlier produced; but that their names were not disclosed therein, they being identified as Mr. 1, Mr. 2, etc. Debate ensued on the propriety of the names of the four discharged employees being produced. On motion of Mr. Keays, seconded by Mr. Tucker,

Resolved,—That the question of production of the names of the four said employees be referred to the Subcommittee on Agenda and Procedure for its recommendation.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings.

At 11.30 o'clock a.m. the examination of Messrs. Côté and Henderson continuing, the Committee adjourned until Orders of the Day are reached in the House on the afternoon of this day.

AFTERNOON SITTING

THURSDAY, May 5, 1960.
(25)

At 4.20 o'clock p.m. the Standing Committee on Railways, Canals and Telegraph Lines resumed its consideration on the toll-collection operations at the Victoria Bridge, Montreal, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Bourbonnais, Bourget, Campbell (*Stormont*), Crouse, Deschatelets, Drysdale, Fisher, Fraser, Grills, Horner (*Acadia*), Howe, Kennedy, McBain, McPhillips, Monteith (*Verdun*) Pascoe, Payne, Pigeon, Rapp, Rogers, Smith (*Calgary South*) and Wratten—22.

In attendance: The same as at the morning sitting, except Mr. Archer.

Messrs. Côté and Henderson and the interpreter, Miss Cyr, continued to be under oath.

Messrs. Henderson and Côté were further questioned. Mr. Côté produced a document entitled Summary of Checks made by Investigation Department on Toll Collectors for a period of 25 Years, from 1934 to 1959 Inclusive, copies of which were distributed to members present. The Committee agreed that the said document be appended to this day's proceedings. (*See Appendix "D" hereto.*)

It was then moved by Mr. Drysdale, seconded by Mr. Smith (*Calgary South*), that the question of obtaining figures pertaining to the revenue of the Victoria Bridge be referred to the Steering Committee to hear Mr. Henderson and Mr. Côté, and to recommend to the Committee whether or not this information be produced to the Committee.

Following debate the said motion was resolved in the negative; YEAS: 4; NAYS: 10.

Mr. Côté was requested to produce particulars of the revenue from the Victoria Bridge. He expressed his desire not to do so in the light of instructions which had been given to him by his superiors. Following debate, on motion of Mr. Campbell (*Stormont*), seconded by Mr. Bourbonnais,

Resolved (unanimously),—That information on the revenue from the Victoria Bridge be produced at the next meeting.

At 5.45 o'clock p.m. the Committee adjourned until 9.30 o'clock a.m. on Tuesday, May 10, 1960.

Eric H. Jones,
Clerk of the Committee.



NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, May 5, 1960.
9.30 a.m.

The CHAIRMAN: Gentlemen, I see a quorum. Your subcommittee met yesterday and considered the letter dated April 23, 1960, from Mr. Pothier Ferland, barrister and solicitor, Montreal, addressed to the chairman. The committee had requested the subcommittee to consider this letter and to report thereon. The chairman suggested that consideration of this letter by the main committee would probably result in the publication of details concerning toll collectors who are before the courts.

Following debate, the subcommittee agreed to recommend that the said letter of Mr. Ferland be filed with the chairman for future reference.

The subcommittee then considered what witnesses might be summoned to appear before the committee on Tuesday, May 10, and they agreed to recommend that the following be summoned, if they are available; namely, Mr. A. Murphy, former port manager at Montreal, before Mr. Beaudet was appointed port manager there; Mr. B. J. Roberts, former member of the National Harbours Board; and Mr. Alfred Poole, former supervisor of toll collectors at Jacques Cartier bridge.

Is it agreeable, gentlemen, to have them here on Tuesday, May 10?

Mr. MARTIN (*Essex East*): Mr. Chairman, before you deal with that, I would like to deal with the report that you make of the subcommittee. The subcommittee, of course, cannot make any decision that binds the committee as a whole.

The CHAIRMAN: That is right.

Mr. MARTIN (*Essex East*): We note that the recommendation of the subcommittee with regard to Mr. Ferland's letter of April 23 was not finally disposed of. It was recommended that the matter should not be dealt with at that particular time, on the understanding that there is no change in the position of this letter, vis-a-vis the committee, from the situation which prevailed when we last met.

I simply want to reserve my right as an individual member of this committee to deal with this letter as I think it should be dealt with, at a time when I think, under the circumstances, it should be pursued.

Mr. CHEVRIER: Mr. Chairman, there are one or two points on which I would like clarification from you as chairman of the committee. The first of these is that in the minutes of proceedings No. 12, dated April 26, 1960, it is stated that Mr. Harold Lande and two members of the conciliation board

would be called as witnesses before the committee on, I think, Tuesday last. That was a decision of the subcommittee. There appear nowhere—I think I am right—that Mr. Lande—

The CHAIRMAN: And Mr. Mead.

Mr. CHEVRIER: Mr. Mead, and also Mr. Charles A. Giroux; they were to appear on May 3, and at no place in the proceedings, that I have been able to find, is there any explanation why they have not been called. I think the committee is entitled to an explanation in so far as that is concerned.

The CHAIRMAN: I thank you for that, Mr. Chevrier. The explanation is this, that the subcommittee and the Chair felt that owing to the fact that the committee wanted to discuss on May 3rd whether we should go on, or not, it would not be right to call them and have them sit around here while the committee discussed whether or not we should continue with our deliberations. Therefore, they were not called.

However, the subcommittee brought that matter up yesterday afternoon, and Mr. Lande, Mr. Mead and Mr. Giroux will be called as soon as this committee wishes them to be called.

Mr. CHEVRIER: I just want to pursue this a bit further, Mr. Chairman. I think that we have to come to some conclusion as to the procedure that should be followed in the main committee. You will remember that Mr. Smith, a member of the committee, some time ago raised objection to the fact that there seemed to be no continuity—

The CHAIRMAN: That is right.

Mr. CHEVRIER: —and no order in the calling of witnesses, as well as in the conduct of the committee. You, Mr. Chairman—very properly so—told him that the matter would be considered by the steering committee. The steering committee has considered these problems from time to time. I have attended some of the meetings; others I have not been able to attend. But the steering committee apparently has been unable to come forward with a clear conception of those who should be called.

Dealing with this first point, I would like to bring to your attention the fact that in the letter which has been mentioned—and, of course, to which I cannot refer, and to which I will not refer—from Mr. Pothier Ferland, it is stated that the very matters with which the board of conciliation were concerned—that is, Mr. Lande, Mr. Mead and Mr. Giroux—are now subject to litigation before the superior court of Quebec.

If that be the case, then I ask you, Mr. Chairman: did the steering committee give consideration to this fact, that if the matter is before the superior court of Quebec, in so far as priorities are concerned, as stated in this letter, was that not the reason why it was decided not to call these men at this time?

The CHAIRMAN: No, Mr. Chevrier, it was not. To begin with, dates were set for Mr. Lande to appear, and the dates set were inconvenient to him and he could not come.

Mr. CHEVRIER: I remember that he could not come, and we accommodated him by suggesting that he came on May 3.

The CHAIRMAN: And also the labour men.

Mr. CHEVRIER: Then there was no explanation given, other than that which you give now, as to why he was not called on May 3. I want to bring that to the attention of the committee, because I think it is a point that should be brought to their attention.

There is also, sir, another matter, and it is this. In the proceedings of April 26 a motion was made by Mr. McGregor, seconded by Mr. Pigeon, that confidential reports of the Canadian National Railways investigators on toll collectors on the Jacques Cartier bridge, in so far as they are in the possession

of the National Harbours Board, be produced to the committee. Following debate on this motion—which I understood took some time—the motion was carried on division, yeas 10; nays 3.

Then there appears in the evidence of Thursday, April 28, this rather strange procedure, wherein it is stated that Mr. McGregor moved, and Mr. Pigeon seconded, that certain papers regarding the investigation by C.N.R. officials be produced. This is the chairman speaking:

I have spoken to Mr. McGregor since, and I believe he is willing to withdraw that motion. Is that right, Mr. McGregor?

MR. MCGREGOR: I understood there was nothing of any importance in the letters, so if there is nothing of importance I wish to withdraw the motion.

MR. PIGEON: I second that.

Well, here is a motion that was discussed at some length, I understand, and passed by a vote of ten to three, and Mr. McGregor now states that they are letters which he understands are of no importance, although the motion concerned, not letters, but reports of investigations in the hands of the National Harbours Board.

I am not complaining about the motion, but what I am complaining about is the fact that here we pass motions by a standing vote, and then the next day, or the day after, we withdraw them. And that was done on several occasions. That was done, also, in the case of Mr. Pigeon, who moved that certain confidential letters in the hands of the National Harbours Board be produced, and who—after reflection, I suppose—decided to withdraw the motion. I do not know; I have no recollection as to whether that motion was put to a vote or not at the time, but I do have a recollection that it was withdrawn.

I raise these two matters simply to bring to the attention of the committee that there appears to me—and I say this with all deference to you, Mr. Chairman, because I know you are doing a difficult job, and doing it well—to be, in the procedure, as well as in the calling of witnesses, not the order and the discipline there should be; because after all, if these motions are going to be made and, when they displease certain people, or when they are not to the liking of certain people, the next day they are withdrawn, will that same procedure and that same consideration be given to those of us who sit on this side?

The CHAIRMAN: Mr. Chevrier, as regards the personal and confidential letters, they were referred to the steering committee, and the steering committee reported back. That was Mr. Pigeon's motion. They were referred back here to this committee, and this committee said that they were not necessary. They took the advice of the subcommittee on that.

MR. CHEVRIER: What about the motion of Mr. McGregor that was made and carried by a vote?

The CHAIRMAN: Mr. McGregor withdrew it at the next meeting, and the committee unanimously agreed with the request for the withdrawal by Messrs. McGregor and Pigeon respectively. They were the mover and the seconder of the motion which had been carried on April 26 regarding the production of confidential reports of the Canadian National Railways investigations on toll collectors on the Jacques Cartier bridge.

That was done owing to the fact that, despite the fact that the inspectors' names were not mentioned—they were in code letters—names of toll collectors were in those reports, and it was felt that it would not be advisable at that time to put those on record and have them printed.

MR. CHEVRIER: But the motion, Mr. Chairman, that was made was for the production of certain confidential reports, and the motion to withdraw was regarding letters, which is an entirely different thing.

On page 1 of the transcript of evidence of the minutes of Thursday, April 28, 1960, it is stated—and I quote Mr. McGregor:

I understood there was nothing of any importance in the letters, so if there is nothing of importance I wish to withdraw the motion.

Mr. DRYSDALE: Has that been printed yet, Mr. Chairman?

The CHAIRMAN: No. The committee unanimously agreed that it was not a motion.

Mr. CHEVRIER: What is that, Mr. Chairman?

The CHAIRMAN: The committee unanimously agreed with the request for the withdrawal by Messrs. McGregor and Pigeon. This committee unanimously agreed; there were no objections.

Mr. CHEVRIER: I am not saying there was no objection. The point I am making is that the motion, which passed 10 to 3, was for the production of confidential reports, and the motion concerning withdrawal was for certain letters—which is a different thing. And, right or wrong you have to put the withdrawal motion in the same terms and the same language as the original motion, which carried. That is why I thought I should bring these matters to the attention of the committee.

I have one final thing to say.

The CHAIRMAN: Mr. Chevrier, if I may interrupt you, I think Mr. McGregor said “letters” instead of “reports”. I think it was a slip of the tongue, on his part. I think that would cover that.

However, I also feel that when that motion was put, Mr. McGregor did not understand that these toll collectors’ names would be at the top of these reports. He understood it was only in code; but the code was only for the inspectors, and not for the toll collectors.

Mr. CHEVRIER: I have no doubt that he understood what was happening, if I follow the evidence.

Then, there is this final point.

Mr. DRYSDALE: On a point of order, Mr. Chairman. Although I was not present at the meeting, I notice the yeas was 10, as against 2 nays, and that adds up to 13. I wonder if there was a quorum at that time. If there was not, I suggest the particular motion was no good anyway.

The CHAIRMAN: There was a quorum at that time.

Mr. DRYSDALE: But it was not indicated on the record.

Mr. CHEVRIER: That makes it worse.

The CHAIRMAN: At that time I think there were either three or four who did not vote one way or the other.

Mr. CHEVRIER: I am not going to pursue that unduly, as I know we want to get on with these witnesses. However, I wanted to bring it to your attention because if, during the course of our proceedings, these things repeat themselves we want to be given the same consideration as those who withdraw motions they originally made.

I note in your statement of a moment ago that Mr. Poole is going to be called as a witness. I remember that at a subcommittee meeting this was decided. The Minister of Justice said that Mr. Poole could not be called. What has brought about the change that Mr. Poole can be called now? I think we are entitled to an explanation of that.

The CHAIRMAN: I can give you that explanation.

Mr. CHEVRIER: If I may continue.

That again outlines the three points that I have been making—that the subcommittee makes certain decisions that are not confirmed by the main committee; the main committee refers certain matters back to the sub-

committee who, apparently, make the decision to call witnesses at a certain date, and then change its decisions. And, in so far as Mr. Poole is concerned, it is rather difficult to understand how it is that at one stage the Minister of Justice felt he could not be called, for various reasons, which were all conversive, but that now he is free to give evidence. I think we are entitled to an explanation of that.

The CHAIRMAN: In regard to Mr. Poole, I wrote the Minister of Justice, asking if a certain list of people could be called, and I was informed that the chief of the harbour police, Montreal, was one who could not be called.

Later on we again asked if Mr. Poole could be called, and we were told at that time: not at present; and then later on I had a telephone call, saying: no objection to your committee calling the Honourable Pierre Sevigny, Lionel Chevrier, and Messrs. Shea and Poole.

Mr. CHEVRIER: When was this? Would the chairman explain what happened in the interval between the time it was decided, on the advice of the Minister of Justice, not to call Mr. Poole, and the time it was decided to call him.

The CHAIRMAN: I received a letter from Mr. Poole, and Mr. Poole said that some of the statements here were not right, and that he would like to appear before the committee. So, we asked again if he could be called.

Mr. MARTIN (*Essex East*): May I ask if you have had any conversation with regard to any matter before this committee with the Minister of Justice since yesterday morning?

The CHAIRMAN: No, Mr. Martin, I have not.

Mr. MARTIN (*Essex East*): Have you had any conversations with the law officers of the crown, with regard to any matter before this committee, since yesterday morning?

The CHAIRMAN: We have the clerk of the law office right here.

Mr. MARTIN (*Essex East*): I asked you if you had any—

The CHAIRMAN: No, Mr. Martin.

Mr. McPHILLIPS: You did not get much out of that.

The CHAIRMAN: Gentlemen, I read the report of the steering committee, and I asked your wishes in regard to Mr. Murphy, Mr. Roberts and Mr. Poole appearing as witnesses on Tuesday next. Is that agreeable?

Agreed.

The CHAIRMAN: Are there any objections? All those in favour?

Mr. MARTIN (*Essex East*): On what are we voting?

The CHAIRMAN: We have to have a vote.

We need the agreement of this committee in calling witnesses in cases where there are expenses incurred. It has to be in the form of a motion, and I would like someone to put that motion.

Mr. CHEVRIER: Have we followed this practice in the calling of earlier witnesses?

The CHAIRMAN: We would have to do that in the case of earlier witnesses, if there were any expenses incurred but, so far, there have been no expenses, except in the case of Mr. Shea—and we had a motion concerning that.

I would like a motion that Mr. Murphy, Mr. Roberts and Mr. Poole be called as witnesses for Tuesday.

Mr. BROWNE (*Vancouver-Kingsway*): I so move.

Mr. SMITH (*Simcoe North*): I second the motion.

The CHAIRMAN: All those in favour? All those opposed? Thank you, gentlemen; the motion is carried.

There is another matter, which I wish to deal with at this time.

At our last meeting, Mr. Campbell said he asked for letters, and that these were not produced. Now, these are in appendix "F" to No. 11, printing, pages 741 and 751. I think these letters are all there. And I think Mr. Campbell should be satisfied with those.

Mr. MARTIN (*Essex East*): I do not think Mr. Campbell will be.

The CHAIRMAN: If Mr. Campbell wants anything else, he has the right to ask for it; and we will try to see if we can obtain it for him.

Mr. CHEVRIER: Hear, hear.

The CHAIRMAN: Gentlemen, we have with us this morning Mr. L. J. Henderson, general manager of road transport, Canadian National Railways, and Mr. Lionel Côté, assistant general solicitor, Canadian National Railways. They are our witnesses for today.

These gentlemen are familiar with the workings of the Victoria bridge, which is one of the things this committee was asked to investigate.

I will ask these two gentlemen to come forward and take their places at the head table.

The Clerk of the Committee will swear the two witnesses.

Mr. BROWNE (*Vancouver-Kingsway*): I thought there was a suggestion by Mr. Chevrier, during our last meeting, that Mr. Shea be called today. Was he not to come with the others?

The CHAIRMAN: Mr. Chevrier asked if Mr. Shea could be called. I told him: yes; and then Mr. Chevrier, if I remember rightly, said he did not know whether or not he would be here this morning.

Mr. CHEVRIER: That is correct.

The CHAIRMAN: And, therefore, we did not call Mr. Shea back. If Mr. Chevrier still wants Mr. Shea here, perhaps we could have him here on Tuesday.

Mr. CHEVRIER: Mr. Chairman, I should give an explanation as to why I said I could not be here this morning.

I cannot be here this afternoon, because of the debate in the house. I am sure the members of the committee will realize how difficult it is for some of us—and, perhaps, all of us, to follow actively the proceedings of this committee when, at the same time, a debate is proceeding in the house in which some of us have a particular interest. This debate is taking place this afternoon and, perhaps, also the next day.

I was hoping I could ask some questions of Mr. Shea, following the evidence which I read. However, it may be that either of these two gentlemen can clear it up for me, and it may not be necessary then to call Mr. Shea. If it is not, I will tell you.

The CHAIRMAN: Mr. Chevrier, if you would indicate, after these witnesses are finished giving their evidence, as to whether or not you still wish Mr. Shea to be called, perhaps he could be called on Tuesday—if that is agreeable.

I will now ask the Clerk to swear the two witnesses.

Mr. LIONEL CÔTÉ, Q.C., sworn.

Mr. L. J. HENDERSON, sworn.

The CHAIRMAN: Gentleman, Mr. Henderson, general manager of road transport, and Mr. Côté, assistant general solicitor, are ready to answer your questions concerning matters of the Victoria bridge.

Mr. CHEVRIER: Mr. Chairman, I wonder if I could ask a few questions.

The CHAIRMAN: Proceed.

Mr. CHEVRIER: Mr. Henderson, what is your position with the Canadian National Railways?

Mr. L. J. HENDERSON (*General Manager of Road Transport, Canadian National Railways*): I am the general manager of the department of road transport.

Mr. CHEVRIER: I think the committee would wish you to sit down, if you so desire.

Mr. DRYSDALE: Before we proceed, Mr. Chevrier mentioned earlier that we wanted to carry this on in a logical fashion.

Could we find out whether these questions, which he is about to ask, are directed to the ones you wanted to ask Mr. Shea—because, perhaps, Mr. Henderson has a general statement to make to the committee.

Mr. CHEVRIER: I could not, at this stage, state whether these questions would be directed to Mr. Shea, as it would depend on the answer.

However, Mr. Chairman, if there is a general statement, I would be happy to wait.

The CHAIRMAN: There is a statement.

I would suggest that when we have nearly completed this morning, Mr. Chevrier might indicate whether he still wished Mr. Shea to appear.

Mr. LIONEL CÔTÉ, Q.C., (*Assistant General Solicitor, Canadian National Railways*): If you would permit me to say, by way of an opening statement, Mr. Henderson and I have been delegated by the management of the Canadian National Railways to assist the committee in that phase of your inquiry dealing with the toll collection operation on the Victoria bridge.

We have not been asked for any specific information, and we do not know exactly what the committee wants or desires from us. However, having read the proceedings, in the case of the Jacques Cartier bridge, from what we have seen there, we have tried to line up some general information, which we felt would be of interest to the committee, pertaining to the Victoria bridge—ideas as to construction, its characteristics, the alterations made over the years to increase the facilities for highway traffic, some statistics and charts dealing with the trend of highway traffic on the bridge, and the trend in the revenue derived by the railway from toll collection.

As he has said, Mr. Henderson is the general manager of road transport for the company. He is an officer of the operation department of the railway. In that capacity he has control of the toll collection operation on the bridge. He is conversant with these operations before and after May 10, 1958, which is the date of the changeover on the Victoria bridge from manual to mechanical operation.

The accounting, in respect of tolls, is in charge of the accounting department of the company, and is under the control of the auditor, passenger accounts.

Of course, if the material and information we have prepared is not sufficient to enable us to answer your questions immediately, we shall be very glad, indeed, to get the additional information, or to suggest to you the officers of the company who could give you that information, which you might require, before starting your deliberations.

There is one point which I feel I should point out to the committee at this time, and it is this. There is quite a difference between the Jacques Cartier bridge and the Victoria bridge. As you know, the Jacques Cartier bridge is essentially and, almost exclusively, a highway bridge. It has five twelve-foot lanes for highway traffic, whereas the Victoria bridge is essentially a railway bridge, and has facilities for handling roadway traffic only on two lanes, which are sixteen feet each; and each roadway is on a bracket, attached to the same structure.

Another point, Mr. Chairman. There was some impression, in the early press reports, at the initial stage of this inquiry, to the effect that the Victoria bridge was mixed up with the investigations made by the Royal Canadian Mounted Police; and also that, perhaps, the Victoria bridge toll collectors, past or present, had been subjected to the raids which had been shown. Of course, that is not the case. In view of these impressions, and the inferences that may have been drawn from them, we are, of course, very glad to have this opportunity to give you the facts pertaining to toll collection on the Victoria bridge.

I have with me a statement giving you the general background on the Victoria bridge—the statutory background, from the construction point of view, concerning different dates and so on, which may be of interest to you.

I do not know how you wish me to deal with that statement.

The CHAIRMAN: I think it would be better if you read it.

Mr. CHEVRIER: Are there copies of the statement available?

Mr. CÔTÉ: Yes.

Mr. CHEVRIER: Could we have copies? In that way it would be easier to follow it.

The CHAIRMAN: We will have them distributed?

I will now ask Mr. Côté to proceed with the reading of the brief.

Mr. CÔTÉ: The document is entitled "Historical Notes re Victoria bridge", and reads as follows:

Historical Notes re Victoria Bridge

Construction and accommodation for traffic

1. The Victoria bridge was built originally as a tubular railway bridge by the Grand Trunk Railway Company of Canada.

1853

2. The authority to build the bridge was granted to the company by an act of the province of Canada (16 Vict. c. 75) of 1853 to provide for the construction of a general railway bridge over the river St. Lawrence at or in the vicinity of the city of Montreal. Under that statute, the plans of the bridge and of the other works connected with it had to be approved by the governor in council, and the company was also empowered to construct, if it so desired, the proposed railway bridge "as to adapt it to the passage of ordinary vehicles, animals and passengers", in which event the company would be entitled to fix and collect tolls for such passage.

3. The construction of the bridge was begun on January 22, 1853 and the first train passed over the completed structure on December 17, 1859. The bridge as designed and constructed was for railway operations exclusively, with no facilities "for the passage of ordinary vehicles, animals and passengers."

4. The bridge structure consisted of 24 wrought iron tubular spans on 24 limestone masonry piers and was capable of accommodating one single railway track.

5. The bridge was 6,590' long from the face of the back wall of the abutments on the opposite shores and the width of the bridge was 16' from center to center of the vertical side girders of the tubes. At the time of its completion, the bridge was known as one of the "Wonders of the World".

1897

6. The Grand Trunk started the reconstruction of the bridge on May 4, 1897 and in that same year, a subsidy for that purpose was voted by parliament for an amount not exceeding \$300,000 (60-61 Vict. (1897) c. 4.)

7. The reconstruction consisted of the following:

- (a) The 24 piers and the 2 abutments were altered and extended on the upstream side;
- (b) The wrought iron tubular structure was removed and replaced with a steel superstructure of through truss type;
- (c) The length of the bridge remained the same, but the width of the superstructure (overall) after the reconstruction was 67' instead of 16' as above mentioned.

1898

8. The first train passed over the reconstructed bridge on September 8, 1898 and the traffic accommodation on it was then as follows:

- (a) Between the trusses, there were 2 railway tracks;
- (b) On a cantilevered bracket on the upstream side, there was built a roadway 10'6" wide for vehicular traffic and a 4'3" wide sidewalk;
- (c) On a cantilevered bracket on the downstream side, there was built another roadway 10'6" wide for vehicular traffic and a 4'3" sidewalk.

9. In 1900, parliament authorized (63-64 Vict. c. 8) an increase from \$300,000 to \$500,000 in the subsidy towards the reconstruction of the bridge on the condition that the tolls which the company had been authorized to fix and collect for passenger and vehicular traffic would be subject to the approval of the governor in council.

10. The first tariff of tolls approved by the governor in council for pedestrians and vehicular traffic on the bridge came into force on October 15, 1900. A copy of this tariff is attached.

1909

11. The vehicular roadway on the downstream bracket of the bridge was abandoned and that portion of the structure was altered to accommodate one track for the operation of the electric railway of the Montreal and Southern Counties Railway Company. That company's passenger commuter business, which began that year, was to terminate in 1956 as mentioned below.

In the same year, the sidewalk was removed from the upstream bracket and the vehicular roadway was widened to 14'.

12. The above-mentioned changes which took place in 1909 did not involve any alteration in the structural steel superstructure.

1923

13. The ownership of Victoria bridge passed to Canadian National Railway Company as successor by amalgamation to the Grand Trunk Railway Company of Canada under the terms of an amalgamation agreement approved by Order in Council P.C. 181 of January 30, 1923.

14. In 1926, the vehicular roadway on the upstream bracket of the bridge was again widened, from 14' to 16', and this involved various changes in the structural steel of the cantilevered construction.

15. In 1938, the timber deck construction of the vehicular roadway on the upstream bracket was replaced by a concrete deck. This did not involve any changes in the structural steel construction.

1956

16. In 1956, the passenger commuter operations of the Montreal and Southern Counties Railway Company on the downstream bracket of the bridge were abandoned and the railway track and sidewalk on that bracket were removed. In their place, a vehicular roadway 16' wide was constructed and from then on there were two traffic lanes on each bracket of the bridge. This made it possible to use three of these lanes for traffic in one direction at peak periods.

17. When the electric railway line and the sidewalk were removed from the downstream bracket of the bridge in 1956, regulations were passed under the provisions of the Railway Act restricting the use of the roadways to motor vehicles only.

18. Shortly after the Jacques Cartier bridge was opened for traffic, arrangements were made with the Montreal harbour commissioners to have tickets issued for one bridge accepted for passage on the other, each party to redeem, periodically, the tickets honoured by the other party. This interchangeability of tickets remained in force until the automatic collection of tolls, using a common token, came into operation.

1958

19. Automatic toll collection machines, with the use of tokens, were put into operation on Victoria Bridge on May 10, 1958.

GRAND TRUNK RAILWAY SYSTEM

VICTORIA JUBILEE BRIDGE

TARIFF OF TOLLS

Tariff No. 217

In effect October 15th, 1900.

	One way	Over and Return	
Foot passenger.....	5¢	—	} Valid to ride on vehicles but not valid on trains.
Foot passenger (6 tickets).....	25¢	—	
Bicycle, Tandem Bicycle, Tricycle or similar vehicle ridden by one or more persons.....	5¢	10¢	} Each person.
Extra Bicycle.....	5¢	—	
Hand Vehicle (used by rag-picker, scissors- grinder, etc.).....	15¢	25¢	} Including person in charge.
Automobile.....	15¢	25¢	
Vehicle hauled by goat or dog.....	15¢	25¢	} Including person in charge, extra passengers see note.
Horses and mules (singly or in droves).....	15¢	25¢	
Cattle (singly or in droves).....	10¢	—	} Including driver.
Sheep (singly or in droves).....	3¢	—	
Calves (singly or in droves).....	3¢	—	} Per head
Swine (singly or in droves).....	3¢	—	
Horse and Rider.....	15¢	25¢	} Passenger-carrying vehicles driver free; extra passengers, see note.
Vehicle drawn by one animal.....	15¢	25¢	
Vehicle drawn by two animals.....	25¢	50¢	} Loaded or empty vehicles not pas- senger-carrying, driver free, other passengers, see note.
Vehicle drawn by three animals.....	40¢	—	
Vehicle drawn by four animals.....	55¢	—	} Driver free; extra passengers, see note.
Vehicle drawn by one animal.....	20¢	—	
Vehicle drawn by two animals.....	40¢	—	} Driver free; extra passengers, see note.
Vehicle drawn by three animals.....	55¢	—	
Vehicle drawn by four animals.....	70¢	—	} Driver free; extra passengers, see note.
Extra Vehicles.....	15¢	—	
Milkman's Vehicle drawn by 1 animal.....	—	25¢	} Driver free; extra passengers, see note.
Milkman's Vehicle drawn by 2 animals.....	—	50¢	

Return tickets (as above) are good only on date of sale and following day.

NOTE:—The tolls for vehicles include the free passage of driver, each person carried on a vehicle (except the driver of such vehicle) must surrender a ticket.

Tickets valid for passage across the Victoria Jubilee Bridge on trains of the Grand Trunk Railway will be honored over the Bridge for passage of the individual (so entitled to ride) in accordance with the conditions on such tickets.

No charge for children under five years of age, nor for baby carriages or baby sleighs.

G. T. BELL,
Gen. Pass. and Tkt. Agent,

H. G. ELLIOTT,
Asst. Gen. Pass. and Tkt. Agent,

MONTREAL, October 10th, 1900.

Now, as I have mentioned in the statement, there is appended to it the original tariff of 1900; and we have with us also, Mr. Chairman, as an exhibit if required by the committee, the tariff of 1954, which will give you an idea of what the operation was like prior to the removal of the railway track and the downstream bracket; and we also have copies of the current tariff.

The CHAIRMAN: Do you have enough to go around to all the members of the committee?

Mr. CÔTÉ: Yes.

The CHAIRMAN: I would like to have them distributed now. I think the committee would like it.

Mr. CÔTÉ: I also have some photographs of the tubular bridge and of the present bridge, if they are of interest to the committee. Perhaps you could put a few copies of them on the table.

The CHAIRMAN: Fine.

Mr. CHEVRIER: Are these all the exhibits which you propose to file at this time?

Mr. CÔTÉ: Yes.

Mr. CHEVRIER: I would like to ask a few questions.

Mr. DRYSDALE: Before the questioning begins, Mr. Chairman, could we have these exhibits filed? I would move that they be filed.

The CHAIRMAN: They will be filed as appendices. You are moving to that effect?

Mr. DRYSDALE: Yes, I so move.

Mr. HORNER (*Acadia*): And I second the motion.

The CHAIRMAN: Is it agreed that these be part of the appendix of the minutes? Anyone opposed?

Agreed.

(*See Appendices "A" and "B" hereto.*)

Mr. CÔTÉ: The tariffs which I offer as exhibits are just samples. I have here also a compilation of all the tariff changes from 1900 to date, but I suggest if you want to have it in the record, I am afraid it would not be of much use to the committee.

Mr. HORNER (*Acadia*): Let us be the judge of that.

The CHAIRMAN: That is up to the committee. Do you have copies of them?

Mr. CÔTÉ: No, we just have the one to file.

Mr. CHEVRIER: Perhaps as we go along we may come to the conclusion that they are required, and if so, I am sure there would be no trouble in getting them.

I want to ask Mr. Côté one or two questions. Do I take it from paragraph 10 of your brief that the first tariff of tolls was approved and came into effect on October 15, 1900, and that before that time there was no charge for movement across the bridge?

Mr. CÔTÉ: There were no vehicular facilities on the bridge prior to that time, because the completion of the reconstruction of the bridge was in 1898.

Mr. CHEVRIER: While the bridge was designed and built to take care of vehicular traffic, there was no vehicular traffic until 1900?

Mr. CÔTÉ: There may have been a few—there may have been some highway traffic between the construction of the bridge and the completion of the highway facilities in 1898—between those two dates; but the first tariff was made by order in council.

Mr. CHEVRIER: What was the date of the installation of the downstream bracket for vehicular traffic?

Mr. CÔTÉ: 1898.

Mr. CHEVRIER: In 1898 then, they carried a one-way movement of vehicular traffic across the bridge on the downstream side only.

Mr. CÔTÉ: Downstream and upstream, both at that time, from 1898 until 1906.

Mr. CHEVRIER: There were two brackets?

Mr. CÔTÉ: Yes.

Mr. CHEVRIER: The downstream bracket was removed for installation of the southern counties railway line.

Mr. CÔTÉ: Yes, in 1909.

Mr. CHEVRIER: And it was not lifted until when?

Mr. CÔTÉ: 1956.

Mr. CHEVRIER: From the memorandum I see mention made in the latter part about the interruption that took place because of the construction of the seaway.

Mr. CÔTÉ: No.

Mr. CHEVRIER: Don't you think you should tell the committee that from 1954 up until the opening of the seaway, and then up until this time, there have been interruptions on the south shore in connection with the bridge. Am I not right in saying that there has been a complete new approach, a complete new southern approach to the Victoria bridge built around the St. Lambert area.

Mr. CÔTÉ: That is correct.

Mr. CHEVRIER: Could you tell the committee how long this new approach took to construct?

Mr. CÔTÉ: Do you know, Mr. Anderson? According to my recollection it took two years.

Mr. CHEVRIER: You say it took two years; and also during that period you started to build a new railway bridge, that is, a trunk off the railway bridge in order to accommodate railway traffic, so there would be no interruption for that kind of traffic, in the same manner that there was no interruption for highway traffic?

Mr. CÔTÉ: That is correct.

Mr. CHEVRIER: And that is still not completed?

Mr. CÔTÉ: Yes, as you may have seen from press reports, the upstream bracket is to be closed beginning next month—no, last month, for six months to change the deck, and that bracket is to provide for a connection between these diversions and the main bridge.

Mr. CHEVRIER: I was coming to that. During the period from 1954 until now how often has the Victoria bridge, upstream or downstream, been closed to vehicular traffic?

Mr. HENDERSON: The bridge was never entirely closed to vehicular traffic. We could always use one side or the other; but we did have to restrict truck traffic. We did have vehicular traffic, and we never actually closed the bridge down.

The bridge has been closed so many times—I mean either one side or the other, and back and forth, that I cannot tell you the number of times.

Mr. CHEVRIER: Might I ask either Mr. Cote or yourself to prepare a statement of the number of times the bridge has been closed either upstream or

downstream, for the committee, which might be given to us and added as an appendix; and the number of times and the length of times that either the upstream or the downstream brackets were closed to traffic because of the new construction?

Mr. CÔTÉ: For which period?

Mr. CHEVRIER: For the period of 1954 until now. I use 1954 because that is the time when the alterations started to the bridge.

Mr. Henderson said something about restricted truck traffic. What do you mean by that?

Mr. HENDERSON: The construction of the Victoria bridge—it was a railway bridge with brackets on the side of the bridge having a load limit of 27,000 lbs.; so we have a restriction in our tariff prohibiting vehicles with a gross weight of over 27,000 lbs. from crossing the bridge during the time when the traffic is on either one bracket or the other, when one bracket is closed down; we restrict truck traffic to vehicles with single rear tires.

We do that because it is the quickest way to determine it. We found it to be the most convenient way to determine whether a vehicle was too wide or not. The purpose of the restriction is to enable us to have bus traffic across the bridge; but if a truck should happen to break down, a bus could not get past it.

Mr. CHEVRIER: Can two trucks meet on either of the brackets?

Mr. HENDERSON: If they are single tire trucks, they can; but the average truck or trailer today is eight feet wide, and it is impossible for them to meet; I refer to dual tire trucks now on the Victoria bridge.

Mr. CHEVRIER: During the time that this restriction on trucks as well as the construction of the approaches to the vehicular bridge, plus the construction of the railway bridge, were going on, have you any idea, or could you tell the committee to what extent traffic diminished on the Victoria bridge?

Mr. HENDERSON: The unfortunate part of it in trying to arrive at a figure is that in 1956 we did open both sides of the bridge, and although they were open for a while and traffic tended to rise, yet with the restriction on trucks which we put over the bridge, we had approximately the same number of vehicles that we passed without the restrictions; but they were private cars which produced less revenue. It is very hard to determine our revenue change.

Mr. CHEVRIER: Is it not a fact that it was the feeling of the railway that with the construction of the downstream bracket in 1956 the traffic would be doubled?

Mr. HENDERSON: That is what we obtained from our reports, yes.

Mr. CHEVRIER: And was that confirmed after the two lanes were open?

Mr. HENDERSON: We did not have traffic figures prior to 1956. We have no vehicular count figures prior to 1956.

Mr. CHEVRIER: Why? You had no figures of traffic.

Mr. HENDERSON: We had no vehicle figures of traffic; the only basis we had was to take tests.

Mr. CHEVRIER: Well, that seems somewhat strange. Nonetheless I am not going to quarrel with you about it. But can you tell me this: if there was not some indication that traffic had doubled after the time the additional lane was opened, if you had figures after 1956, would you be able to compare them with these trends that you had?

Mr. HENDERSON: We have no vehicular count before 1957.

Mr. CHEVRIER: On either lane?

Mr. HENDERSON: That is right. The earnings of the bridge at that time were taken from the sale of tickets and the money collected.

Mr. CHEVRIER: Can you not tell from the amount of money collected and the sale of tickets how many vehicles crossed the bridge?

Mr. HENDERSON: Prior to having the bridge opened we had a definite restriction on trucks at that time, and we had a very, very small percentage of our revenue from trucks, and no busses were on the bridge at all.

Mr. CHEVRIER: What about these passenger vehicles? Can you not tell how many passenger vehicles crossed the bridge from the tolls that were collected and from the tickets that were sold?

Mr. HENDERSON: We can work back from the tickets sold, but we might fall into an error there, because books of tickets were sold with an expiry date of four months; and if we took every book of tickets sold to commuters which was used in its entirety, we could determine the number of vehicles which crossed the bridge in any one year; but a lot of books were not used up.

Mr. CHEVRIER: Is it possible to obtain that information for the committee? I think the committee would be interested to find out to what extent the estimate of the Canadian National Railways that traffic would double had been confirmed by the movement of both vehicular and truck traffic over the bridge. I think the committee would appreciate it.

The CHAIRMAN: Can you get it?

Mr. CÔTÉ: Yes.

The CHAIRMAN: Very well, that will be obtained.

Mr. CHEVRIER: Now, I shall carry on from that and inquire if you kept figures of the amounts collected?

Mr. CÔTÉ: Yes, we did, Mr. Chevrier.

Mr. CHEVRIER: Are you able to say from those figures what the position was in 1956?

Mr. CÔTÉ: That is what we will have to ask for, a computation made from those figures.

Mr. CHEVRIER: That is fine. I shall not pursue it any further. I shall go to another point. Oh yes, in connection with the diminution in traffic, what I have been dealing with, leading up to the increase in traffic because of the additional bracket; now, might I direct your attention to the diminution in traffic because of the various approaches and construction in connection with the seaway. Can you tell the committee to what extent the traffic dropped because of either the closing of one lane, or the alternative closing of one lane, or the complete blocking of another?

Mr. HENDERSON: We have the figures of traffic count now since 1957, and we are able to determine the drop in traffic, for instance, during 1959, when we had one side of the bridge closed down for some five weeks.

Mr. CHEVRIER: And what has been the drop? Would you give us the period during which this drop took place?

Mr. HENDERSON: During the months of June and July, 1959, we experienced a decrease in traffic of 5 per cent—no, it was one of 10.7 per cent in the first case, and in the second, the longer month of June, the bridge was closed around the middle of May.

Mr. CHEVRIER: It was five per cent in June?

Mr. HENDERSON: No, 4.66 per cent in the month of May, and 10.76 per cent in the month of June. That decrease in traffic was due to one side of the bridge being closed down between 1958 and 1959, when other conditions were identical.

Mr. CHEVRIER: That deals with both vehicular and truck traffic?

Mr. HENDERSON: That is for both vehicles. We have an expert counting device now which we use to determine the number of vehicles.

Mr. CHEVRIER: Have you the number of vehicles for July and August?

Mr. HENDERSON: Yes sir. We have in the month of July found that the traffic increased in 1959 over 1958 by 4.96 per cent; and in the month of August it increased 25.51 per cent.

Mr. CHEVRIER: Were both lanes operating at that time?

Mr. HENDERSON: That is right.

Mr. CHEVRIER: But at the same time the system had not yet been installed?

Mr. HENDERSON: The automatic system for the Victoria bridge was installed on May 10, 1958, so we are comparing like with like.

Mr. CHEVRIER: Well, in that case, I think I would have to go back and inquire what was the diminution in traffic from the time the automatic system was installed. I was not aware that the automatic system was installed on the Victoria bridge much earlier.

Mr. HENDERSON: It was in that statement which Mr. Cote read.

Mr. CHEVRIER: Apparently I did not follow it closely enough. Could you indicate to us what the position in traffic was, as to diminution or increase, from the time that the automatic system was installed?

Mr. HENDERSON: I have it right here. The increase at the last change in traffic of 1958 over 1957—in 1958 the automatics were installed in May.

Mr. CHEVRIER: In May, 1958.

Mr. HENDERSON: That is right; and the figures for the entire year show a decrease in traffic of 2.33 per cent, 1958 over 1957; and 1959 over 1958 show an increase of 4.36 per cent.

Mr. CHEVRIER: Would you please give that again; you say there was a decrease of 2.3 per cent in 1958 over 1959?

Mr. HENDERSON: No, 1958 over 1957—1957 being the last full year we had before automatic collections.

Mr. CHEVRIER: And there was a decrease of 4.6 per cent?

Mr. HENDERSON: No, there was an increase of 4.6 per cent, 1959 over 1958.

Mr. CHEVRIER: Is that on an annual basis?

Mr. HENDERSON: That is on an annual basis.

Mr. CHEVRIER: Then would you produce a statement showing this month by month from the time you had compiled figures—I think you said 1956, until the time that the automatic system was installed, and thereafter until now?

Mr. CÔTÉ: Perhaps we could give you 1957, 1958, and 1959.

Mr. CHEVRIER: Yes.

Mr. CÔTÉ: Which would give you a period prior to automatic collection, and up to 1960.

Mr. CHEVRIER: And on a month-to-month basis.

Mr. CÔTÉ: Yes.

Mr. CHEVRIER: I think that is what the National Harbours Board statement indicated. And while you are doing that, could you divide it up by trucks and motor cars?

Mr. CÔTÉ: It would take a bit longer to do that. However, we could.

Mr. CHEVRIER: Now, could I leave that for a moment—and I do not want to go on indefinitely; but perhaps I could ask a few more questions on another aspect.

Would Mr. Henderson tell us when he took on his position as general manager of the road transport division of the Canadian National Railways?

Mr. HENDERSON: I was appointed on October 1, 1955.

Mr. CHEVRIER: Who was your predecessor?

Mr. HENDERSON: Mr. Gaffney.

Mr. SMITH (*Simcoe North*): Perhaps it is Heward.

Mr. CHEVRIER: There is a difference in size here. One is a big man, and the other is a small man, although equally good men.

May I proceed, and inquire from you as to what the method was by which you selected toll collectors for the Victoria bridge.

Mr. HENDERSON: Toll collectors for the Victoria bridge were, for the most part, railway employees, who had become unfit for the jobs that they were working on. In other words, it is our policy to provide work for what we call rehabilitation cases, and most of these men on the bridge are in that category.

Mr. CHEVRIER: And these are all people from the railways.

Mr. HENDERSON: That is correct.

Mr. CHEVRIER: And is that the position now? Are there any outsiders—and by that I mean: are there any people now operating as toll collectors who were not prior to their appointment on the staff of the Canadian National Railways?

Mr. HENDERSON: Yes.

Mr. CHEVRIER: There are?

Mr. HENDERSON: There are.

Mr. CHEVRIER: Could we get a list of the toll collectors on the Victoria bridge.

Mr. HENDERSON: As of what date, sir?

Mr. CHEVRIER: Well, I would think for the last ten years. Perhaps the committee would want it earlier than that, but that would be up to them.

Mr. CÔTÉ: Mr. Chevrier, we started having a separate payroll for these employees only in January, 1955. That information from 1955 to 1960 would be readily available. Otherwise, it would be quite difficult to pick them up on the general superintendent's payroll, who had 1,000 employees prior to that time.

Mr. CHEVRIER: Well, Mr. Chairman, I am not going to insist, unless somebody else does. For the moment, at least, I would be satisfied with the list of those people, the amounts of remuneration, the length of time they were employed, which ones have resigned, and which ones are now in office.

Mr. CÔTÉ: Perhaps this would be of assistance. I have a copy here, which I propose to leave with the Clerk. This could be reproduced in the next printed records of the committee's proceedings.

Mr. CHEVRIER: What copy have you?

Mr. CÔTÉ: I have a seniority list of employees, toll collection operations, Victoria bridge, for the period January 1, 1955 to March 31, 1960. That list gives the name, date of entry into railway service, date hired on Victoria bridge, date left the bridge, and the reason.

Mr. CHEVRIER: Well, that satisfies my question, for the time being.

The CHAIRMAN: Thank you, Mr. Chevrier.

Mr. Chevrier has asked that this be printed in our minutes, as an appendix. Is that agreeable?

Are there any opposed?

Agreed.

(*See Appendix "C" hereto.*)

Mr. CHEVRIER: Mr. Chairman, could I ask one or two more questions, and then I will resume my seat.

Have you ever had any cases of misappropriation of funds on the Victoria bridge?

Mr. CÔTÉ: We have had.

Mr. CHEVRIER: Recently, or when?

Mr. CÔTÉ: I have here, Mr. Chevrier, a statement covering the checks on the bridge, and the discipline applied.

Mr. CHEVRIER: Well, that is another subject, which I would like to deal with later, if I may. However, you said you had some cases of misappropriation of funds, and I asked when—and, perhaps, I should have added: how many?

Mr. PAYNE: Mr. Chairman, it is now 11 o'clock, some of us have other duties to which we must attend.

The CHAIRMAN: I thought we could go through for another hour, if possible, in order to allow the members to ask questions. Then, if there were any papers that had to be produced, they could be produced at our next meeting—perhaps, this afternoon.

Mr. PAYNE: Well, Mr. Chairman, it is very difficult, as there are other meetings coming up.

Mr. CHEVRIER: I am so happy that question has been raised, because it is almost impossible for some of us—and I am sure all of us, to carry on under these circumstances.

The CHAIRMAN: I would like to keep a quorum. There are sixteen present. It will be all right for one to go.

Mr. DRYSDALE: I want to go to the same meeting.

The CHAIRMAN: Can you not hold back for another fifteen minutes?

Mr. DRYSDALE: Well, I am not doing anything.

Mr. CHEVRIER: Is the witness prepared to answer that last question?

Mr. DRYSDALE: Perhaps he could take it as notice, and give us a detailed report in the afternoon.

Mr. CHEVRIER: That would be satisfactory.

Mr. KEAYS: You are doing well this morning.

Mr. CHEVRIER: Mr. Côté, perhaps you would like to give us a list.

Mr. CÔTÉ: Of these employees dismissed—

Mr. CHEVRIER: Yes.

Mr. CÔTÉ: —on account of misappropriation of the company's revenue?

Mr. CHEVRIER: Yes, that is right—or, inefficiency or irregularity. It would include, I think, cases where people were dismissed—and I am not using the word "fired"—because of misappropriation of funds, because of irregularities, because, perhaps, for not giving a ticket to the person in the car, crossing the bridge, and any other reason given by the National Harbours Board.

Mr. CÔTÉ: I have here—and it can be distributed—a statement covering the 25 years—from 1934 to 1959, inclusive, giving the checks on the bridge, and the discipline applied, where necessary, as a result of these checks.

Mr. CHEVRIER: Of course, we want that as well.

Mr. CÔTÉ: That will give you the employees dismissed, and the reason for so doing. Some are for irregularities in handling revenue; others are out for some other reasons. This is all shown in the statement.

Mr. DRYSDALE: On a point of order, Mr. Chairman.

I would like to ask Mr. Chevrier if it is necessary, under these circumstances, to have the names of these particular men. I do not know any of them, and I have no relationship, but it seems to me relatively unfair, since there

is no investigation in effect on the Victoria bridge, that the names of these men should be given publicity and disclosed, because of past irregularities. It may affect their future. However, perhaps you have some specific reason for asking for that information.

Mr. CHEVRIER: No. The last thing I would want to do would be to cast the least bit of reflection on any of these men. However, we have to give consideration to the fact that all these names were published in the case of the National Harbours Board, and they were not published in this case.

The point that is raised is certainly one which I would not want to press unduly. However, it might be well to turn it over to the steering committee, and they could determine as to whether or not they should be published.

May I say again, Mr. Chairman, none of us want to cast the slightest reflection on former employees of the Canadian National Railways. That is the last thing I have in my mind.

The CHAIRMAN: Would it be all right if Mr. Côté gave you the names personally?

Mr. SMITH (*Simcoe North*): I think the best thing to do with the list of those who have been dismissed is to identify them by letter.

Mr. CÔTÉ: The list I have volunteered to file here is employees for the last five years. You will find there are some numbers opposite the particular employee who was disciplined.

The CHAIRMAN: Instead of the name?

Mr. CÔTÉ: Yes.

The CHAIRMAN: Is that satisfactory?

Mr. CHEVRIER: I hoped the matter might be referred to the subcommittee. I wonder if we still could not do that. Again, may I say that I do not want to cast any reflection, but I think we have to be logical.

Mr. SMITH (*Simcoe North*): Only if there is a necessity for it. I think the necessity for disclosing those names should be demonstrated.

Mr. CHEVRIER: It cannot be demonstrated now.

Mr. HORNER (*Acadia*): Let us look at the report first.

Mr. CHEVRIER: And I have no personal information that would permit me to demonstrate it, and I certainly would not want to create it.

Mr. SMITH (*Simcoe North*): Logic is not a necessary part of parliamentary procedure.

Mr. CHEVRIER: I know. We do not always follow that.

Mr. DRYSDALE: Since Mr. Chevrier is on the subcommittee, I think the easiest way would be to refer it there.

Mr. CHEVRIER: At least, the subcommittee might look at it. They might come to the same conclusions we did in relation to certain letters.

The CHAIRMAN: May I make a suggestion, Mr. Chevrier? Have Mr. Côté just show you this list, and then you can decide whether you want it.

Mr. CHEVRIER: I do not think I should see the list, and the other members not see it—

The CHAIRMAN: They can see it as well.

Mr. CHEVRIER: —unless the list is made available.

The CHAIRMAN: I am going to tell you this: I saw the list, and starting right at the top it says: still at Victoria bridge; another retired on pension; another, still at Victoria bridge; and then going down, one, two, three, four, five, six, seven, eight, nine—and then we come to: transferred back to road transport; resigned while under investigation for mishandling bridge revenue. There is only one in the whole batch.

Mr. DESCHATELETS: Mr. Chairman, I would like to make an observation at this point.

In connection with the Jacques Cartier bridge, there was an investigation going on by the Royal Canadian Mounted Police. Prosecutions were expected. At that time the committee found it advisable, and logical, to produce the names. Now, in this case of the Canadian National Railways, there is no investigation going on. Nothing has been done. There is no prosecution contemplated. A point of order has been raised that we should not publish these names. This is the only observation I wish to make at this time.

Mr. KEAYS: I move that we refer it to the steering committee.

Mr. TUCKER: I second the motion.

The CHAIRMAN: It has been moved by Mr. Keays and seconded by Mr. Tucker that this be referred to the steering committee. What is your pleasure, gentlemen? All those in favour? Those opposed? Thank you; the motion is carried.

Mr. CHEVRIER: Mr. Côté, or Mr. Henderson, may I ask what is the meaning on the chart—subject to my seeing it later—of “transferred to road transport”? Is that because of an irregularity of some sort?

Mr. HENDERSON: No. When we installed the automatic toll collection equipment, we had a surplus of employees. These, being former employees, we transferred them back to the department from which they came, to a job they could do, possibly, better. For instance, a driver may not be able to drive any more but could become a vehicle helper or baggage man on a truck, and he would be absorbed in our cartage operations. They were transferred, at our request, because we did not need them on the bridge.

Mr. CHEVRIER: One of the statements made by the chairman, in regard to that list, indicated that there was one case of misappropriation. Over the period, how many cases of this kind would there be?

Mr. CÔTÉ: Over the 25 years, from 1934 to 1959 inclusive—I think we have six.

Mr. CHEVRIER: What was done with those? Were they any charges laid?

Mr. CÔTÉ: There were no criminal charges.

Mr. CHEVRIER: No charges were laid?

Mr. CÔTÉ: No.

The CHAIRMAN: Will you proceed now, Mr. Drysdale?

Mr. DRYSDALE: Mr. Chairman, I have tried to put my questions rather distinctly and logically. Perhaps the best way to handle this would be for me to ask my questions. They could take notice of them, and prepare the information later.

The first question in which I was interested is how the tolls were collected prior to May 10, 1958. In other words, prior to the installation of the toll machine, what was the physical method of collecting the tolls?

I also was interested—and this ties in with that—in what steps were taken prior to May 10, 1958, to make sure these tolls were properly collected; and I would subdivide that into two categories: first, as to what physical checks were made and proposed, such as in the case of the C.N.R.; and secondly, as to what type of accounting checks were made.

Mr. Chevrier has covered, in part, the third point I wish to raise—and that is in connection with the irregularities. However, rather than covering it just for the period 1954 to 1959, I was wondering whether it could be covered at any time prior to May 10, 1958? This may be impossible, I do not know—prior to 1954—but I was wondering if there were any irregularities.

The CHAIRMAN: Pardon me, Mr. Drysdale, I would ask the member not to leave.

Mr. DRYSDALE: And, if so, what was the nature of these particular irregularities. And then, what steps were taken to correct them?

You might wish to consider that and, perhaps, if possible, give an answer to some of the questions this afternoon.

That is the reason why I gave it in this sequence.

Mr. PIGEON (*Interpretation*): Mr. Côté, I would like to ask you since what year have you occupied your position with the Canadian National Railways?

Mr. CÔTÉ (*Interpretation*): 1931.

Mr. PIGEON (*Interpretation*): As legal counsel for the Canadian National Railways, what is the role that you play relative, or as regards, the toll collectors?

Mr. CÔTÉ (*Interpretation*): No particular duty.

Mr. PIGEON (*Interpretation*): When there were complaints, were they referred to you?

Mr. CÔTÉ (*Interpretation*): When there were complaints, or if there were any irregularities noted, the cases went to the employer of the toll collectors—in this particular case, road transport, under the direction of Mr. Henderson.

Mr. PIGEON (*Interpretation*): When a toll collector, as a result of these investigations, was found in error, was there a decision; and were you notified of a decision to dismiss him?

Mr. CÔTÉ (*Interpretation*): Naturally, all these employees belong to unions. No employee could be dismissed from his duties, without inquiry; and at these inquiries the employee is represented by his union representative.

Mr. PIGEON (*Interpretation*): When, as a result of the inquiry, it was proved that the toll collector was at fault, before taking any decision, were you obligated to consult the union representative?

Mr. CÔTÉ (*Interpretation*): There was no consultation with the union representative. The employer arrives at the decision to dismiss the employee, or suspend him. And it is on that charge that the employee is called to the inquiry board.

Mr. PIGEON (*Interpretation*): For the last ten or twelve years, as a result of inquiries, have you any idea of the amount of money which would have been lost?

Mr. CÔTÉ (*Interpretation*): No.

The CHAIRMAN: Are there any other questions?

Mr. PIGEON (*Interpretation*): Have you any idea, all the same?

Mr. CÔTÉ (*Interpretation*): None.

Mr. BOURGET: Is there any way to find that out?

Mr. CÔTÉ: Not that I know of.

Mr. KEAYS: Is there anyone who knows? Is there anyone who knows if there has been any funds missing?

Mr. CÔTÉ: I do not think so.

Mr. PIGEON (*Interpretation*): As for the Jacques Cartier bridge, did you have a body of investigators, or a police force, which made investigations of some kind?

Mr. CÔTÉ (*Interpretation*): We had investigators from our investigation service or division.

Mr. PIGEON (*Interpretation*): Was it the same investigation service on the Jacques Cartier bridge and on the Victoria bridge?

Mr. CÔTÉ (*Interpretation*): The same staff.

Mr. PIGEON (*Interpretation*): In the last ten of fifteen years, have you received any letters of recommendation for toll collectors—for the hiring of toll collectors?

Mr. CÔTÉ (*Interpretation*): I have found none.

Mr. PIGEON (*Interpretation*): No telephone calls?

Mr. CÔTÉ (*Interpretation*): Not to my knowledge.

Mr. PIGEON (*Interpretation*): When it was found that a toll collector had failed in his duty, was the toll collector questioned to find out the exact amount of money which had been lost?

Mr. CÔTÉ (*Interpretation*): No.

Mr. HORNER (*Acadia*): Well, it appears that things are going pretty good on the Victoria bridge.

What was the reason for the installation of the automatic tolls?

Mr. HENDERSON: The first reason, and the prime reason, was to expedite the collection of tolls, on account of the greatly increased traffic that was anticipated an account of doubling the size of the bridge. There was a definite slow-up at the collection booths. We started in 1955 to try and find some method that would speed it up at the point of collection. The tariff had to be streamlined, and we had to make exhaustive studies of what type of equipment would best do the job.

As the photographs show, we have no space at the Victoria bridge. There is no room for expansion. There is nowhere to stop cars to question them. The main purpose of the installation of the automatic tolls was to expedite traffic at the point of collection.

Mr. HORNER (*Acadia*): You mentioned the year 1955. This struck me as odd because, in answer to a former question, you said that no traffic count was available before 1956, I think.

Mr. HENDERSON: That is correct.

Mr. HORNER (*Acadia*): And yet, you were aware of the need for a better system of collecting tolls, because of an expected increase in traffic. It seems odd that in 1955 some count was not taken in order to compare it with the expected increase.

Mr. HENDERSON: We did make spot counts and checks. The time of your traffic congestion is at your peak load. It was during our peak load that things were tied up. For twenty hours of the day there is no congestion, but for four hours of the day there is bad congestion—and you could only anticipate that it would get worse. That is the reason we went into it.

Mr. HORNER (*Acadia*): Well, in 1955 then, you first felt the desire to improve the system of collection of tolls?

Mr. HENDERSON: That is correct.

Mr. HORNER (*Acadia*): And we know they were installed and in operation on May 10, 1959.

Mr. HENDERSON: 1958.

Mr. HORNER (*Acadia*): Yes, 1958. But, when was the actual decision taken to instal them? When had you and, perhaps Mr. Côté, reached a decision that you were going to go out and purchase automatic toll equipment?

Mr. HENDERSON: I have it right here—on March 28, 1957, an agreement was signed with the Quebec Electrical Control Company to install this equipment.

Mr. HORNER (*Acadia*): Approximately one year later you had it installed, and in operation?

Mr. HENDERSON: We had it installed in approximately November of that year; but it was not put into operation until May 10, 1958.

Mr. HORNER (*Acadia*): You had it installed in 1957. I do not know this, as I have not been over either of the bridges: is this similar equipment, or the same, as to what is installed now on the Jacques Cartier bridge?

Mr. HENDERSON: That is correct, sir.

Mr. HORNER (*Acadia*): You have fewer lanes?

Mr. HENDERSON: Yes.

Mr. HORNER (*Acadia*): You have two or four?

Mr. HENDERSON: We have six traffic lanes, at the point of collection.

Mr. HORNER (*Acadia*): That compares to eighteen on the Jacques Cartier bridge—or, do you know?

Mr. HENDERSON: I do not know offhand.

Mr. HORNER (*Acadia*): Those are all the questions I wish to ask, Mr. Chairman.

The CHAIRMAN: Is it completely mechanical, or are some of the lanes collected by toll collectors?

Mr. HENDERSON: It is completely automatic in the sense that the transaction of paying the toll is between the customer and the machine. We have two classification lanes to which are directed trucks, busses, people desiring to buy tokens, people short of change or without the right change, and we have in effect two attended lanes and four completely automatic lanes.

Mr. HORNER (*Acadia*): There was a desire for improvement in 1955. In 1957, you reached the decision to go ahead with the installation. Did you have any difficulty in locating a system of automatic tolls? Did you travel around and visit any other bridges?

Mr. HENDERSON: Yes sir. We visited installations in various parts of the United States. The installation we finally decided upon we thought was the safest and would afford the maximum amount of protection to the company's revenue. The company which manufactures this equipment manufactures equipment for transit bus operations, like the one in the city of New York. This company is well known and their equipment is very good. It was only developed in 1956-57 for automatic tolls. They were experimenting with it and did not want to put it on the market until they had experimented.

Mr. CHEVRIER: What was the date on which the installation was completed?

Mr. HENDERSON: November 1, 1957.

Mr. HORNER (*Acadia*): At this time did you know that the Jacques Cartier bridge authorities were also looking for automatic tolls?

Mr. HENDERSON: Yes. We frequently talked it over. We worked together on this.

Mr. HORNER (*Acadia*): You mentioned investigations by your own personnel. I wonder how many investigations you had between 1934 and 1959?

Mr. CÔTÉ: Once a year, except for two years when there was none.

Mr. HORNER (*Acadia*): You mentioned, Mr. Côté, that during that period there were six men who were charged.

Mr. CÔTÉ: Yes. I mean they were dismissed or resigned while under investigation.

Mr. HORNER (*Acadia*): In all instances the cases of those six men were a direct result of the investigation.

Mr. CÔTÉ: Yes sir.

Mr. HORNER (*Acadia*): And after the investigation you took immediate action to either lay them off, transfer them, or whatever the penalty was.

I have another question before I am through. What tariff changes came about between 1900 and 1959? You mentioned 1954. Were there any other tariff changes?

Mr. CÔTÉ: Quite a number.

Mr. HORNER (*Acadia*): How many?

Mr. CÔTÉ: I have about 15 pages here.

Mr. HORNER (*Acadia*): Fifteen different times?

Mr. CÔTÉ: I have not counted them.

Mr. HORNER (*Acadia*): I am not too worried about the exact number. I want to draw a comparison between your administration and the administration of the Jacques Cartier bridge. These are to the two bridges we are investigating. In other words, there were approximately 15 different tariff changes between 1900 and 1959.

Mr. CÔTÉ: As I say this is just a guess on my part at this point.

Mr. HORNER (*Acadia*): That is good enough for me. Like Mr. Chevrier, I am not too hard to get along with. How many tariff changes were there between 1940 and 1954? Could you give me the exact number on that?

The CHAIRMAN: Gentlemen, we will have to adjourn until this afternoon immediately after the orders of the day.

Mr. HORNER (*Acadia*): Might I resume my questioning at that time?

The CHAIRMAN: Yes; immediately after the orders of the day.

Mr. CÔTÉ: The answer is 5.

Mr. HORNER (*Acadia*): 5?

Mr. CÔTÉ: Yes.

AFTERNOON SITTING

THURSDAY, May 5, 1960.
4.20 p.m.

The CHAIRMAN: Gentlemen, I see a quorum. Mr. Côté has some papers and documents which were asked for this morning. He will table them now.

Mr. CÔTÉ: Mr. Chairman, I would like first to file a statement showing the number of vehicles crossing Victoria bridge each month for the years 1957, 1958 and 1959.

Mr. BOURGET: Before you file that, is there a separate list of automobiles and trucks?

Mr. CÔTÉ: There is no division between motor vehicles. There is no separation between automobiles and trucks or buses.

Mr. BOURGET: Could we have a separate list for automobiles and trucks.

Mr. CÔTÉ: I suppose we could have that separated.

Mr. CAMPBELL (*Stormont*): I think it is essential that we have figures comparable to those received in respect of the Jacques Cartier bridge. The

whole purpose of the discussion in respect of the Victoria bridge is so that one bridge may be compared with the other. Otherwise the investigation is frustrated.

The CHAIRMAN: I believe that was suggested this morning.

Mr. CAMPBELL (*Stormont*): And also a list of the toll collectors and the time they were hired and fired, if any were fired. We should have information equivalent to that for the Jacques Cartier bridge for the purpose of comparison and checking one against the other.

The CHAIRMAN: This morning a list of toll collectors was asked for, and it will be printed in the minutes and proceedings, except in the case of I believe four men in which case, instead of their names, their numbers will be given.

Mr. CAMPBELL (*Stormont*): That is fine.

The CHAIRMAN: This is the table in respect of the vehicle crossings.

CANADIAN NATIONAL RAILWAYS

VICTORIA BRIDGE—VEHICLE CROSSINGS

—	1957		1958		1959		Increase or (decrease) 1958 over 1957		Increase or (decrease) 1959 over 1957		Increase or (decrease) 1959 over 1958	
	Number		Number		Number		Number	%	Number	%	Number	%
January.....	504,354		519,254		502,172		14,900	2.95	(2,182)	(0.43)	(17,082)	(3.29)
February.....	484,275		467,741		489,382		(16,534)	(3.41)	5,107	1.05	21,641	4.63
March.....	544,728		567,999		552,219		23,271	4.27	7,491	1.37	(15,780)	(2.78)
April.....	570,009		596,900		594,956		26,891	4.72	24,947	4.38	(1,944)	(0.32)
May.....	642,589		683,060		651,194		40,471	6.30	8,605	1.34	(31,866)	(4.66)
June.....	663,098		676,379		603,587		13,281	2.00	(59,511)	(8.97)	(72,702)	(10.76)
July.....	687,826		624,285		655,243		(63,541)	(9.24)	(32,583)	(4.74)	30,958	4.96
August.....	720,027		594,513		734,315		(125,514)	(17.43)	14,288	1.98	139,802	23.51
September.....	635,416		591,358		705,781		(44,058)	(6.93)	70,365	11.07	114,423	19.35
October.....	663,290		618,235		686,805		(45,055)	(6.79)	23,515	3.54	68,570	11.09
November.....	608,173		605,088		624,214		(3,085)	(0.51)	16,041	2.64	19,126	3.16
December.....	557,132		566,640		621,408		9,508	1.71	64,276	11.54	54,768	9.66
	7,280,917		7,111,452		7,421,276		(169,465)	(2.33)	140,359	1.93	309,824	4.36

The CHAIRMAN: I believe with what we have here and what has been asked for you will have the figures you wish.

Mr. Keays suggested that it might be wise for this committee to have these papers tabled and then printed in the minutes which you would have by Tuesday, and then you would have these gentlemen from the C.N.R. back again next Thursday when you could ask them other questions. I do not know whether or not that is your views, but that is what was suggested by Mr. Keays.

I believe there are more documents to be tabled.

Mr. Côté: I would also like to file a summary of the checks made by the investigation department of the toll collectors for a period of 25 years, from 1934 to 1959 inclusive. We have copies of that statement at the moment for distribution. (*See Appendix "D" hereto.*)

The CHAIRMAN: They are being distributed now, gentlemen.

Mr. BOURGET: May I ask Mr. Côté if all these investigations were made by the Canadian National Railways investigation service.

Mr. Côté: Yes.

Mr. BOURGET: No outside organization has ever made an investigation on the bridge.

Mr. Côté: No.

Mr. BOURGET: May I ask this question of Mr. Henderson. Was there any request of your department to obtain an outside investigation service?

Mr. HENDERSON: No. it was never asked.

Mr. Côté: This morning Mr. Horner asked for the number of tariff changes between 1920 and 1960.

Mr. HORNER (*Acadia*): I think it was 1934. It does not matter.

Mr. Côté: The number of changes for the period is 24. I understand Mr. Henderson also has some information.

Mr. HENDERSON: Mr. Chevrier this morning asked the number of times the Victoria bridge had been closed down partially or totally since 1954 and up to date. The upstream bracket on Victoria bridge was closed from April 28, 1958, until October 23, 1958, for the purpose of putting down a new steel grid floor. It was then closed on numerous occasions for one-half hour or one hour to test the lift spans being installed by the St. Lawrence seaway during the fall and winter of 1958-59. Then on May 19, 1959, the downstream roadway was closed until July 17, 1959. During the time of both major shutdowns we had no trucks on the bridge, that is dual-tire trucks. We restricted the traffic flowing in the opposite direction for two hour periods. The traffic coming into Montreal had preference between 7 and 9 a.m. and likewise in the evening between 4 and 6 traffic leaving Montreal to the south shore had the right-of-way preference, and no traffic was permitted to flow from the south shore into Montreal. That is the only way of getting around a narrow bridge with a very heavy traffic flow.

There were several minor shut-downs due to accidents and so on, but that did not affect the traffic to any extent.

Mr. Drysdale asked me to describe the method of toll collection prior to May 10, 1958. He asked what steps we took before May 10 to make sure tolls were properly collected and what physical and accounting checks were made. Prior to May 10, 1958, the toll collectors on the Victoria bridge were pretty much in the same status as the railway conductors or ticket agents are. They were issued with so many tickets of various types which would be required on the bridge. They sold these tickets and turned in the revenue directly to the auditor of passenger accounts. They were to all intents and purposes

treated exactly the same as a ticket agent or conductor on the railway. They were subject to the same checks from the ticket auditing department of the C.N.R. In addition to those checks we had checks by the C.N.R. investigating services. You now have a copy of that in your possession.

The nature of the irregularities we uncovered is also mentioned in that document which is tabled. It includes the following: passing cars without collecting revenue, not collecting for additional passengers, accepting detached tickets, accepting expired tickets, and not making every effort to see that a customer obtained his receipt. These are the matters which would be checked and about which they would be spoken to. I think that covers it.

Mr. DRYSDALE: I do not know whether or not I am in order, but on the matter of these checks, were the checks made by the C.N.R. investigation service and were they made at the same time every year, and over how long a period?

Mr. HENDERSON: No. The checks were made by the C.N.R. investigation service whenever they happened to have people available in the Montreal area to do it. These checks were performed by non-uniformed people who were engaged. They checked train conductors and ticket agents all across Canada.

Mr. CÔTÉ: The dates on which the checks were made appear on the documents which have been distributed.

Mr. PIGEON: Why were no checks made in 1951 and 1955?

Mr. CÔTÉ: There were two years no checks were made.

Mr. PIGEON: Why?

Mr. CÔTÉ: I do not know—shortage of staff or something. The investigation department would have to answer that. As I believe has been explained I think the rule is that everybody handling revenue of the railway has to be checked at least every two years, but the practice in connection with the toll collectors on Victoria bridge was that it be one year. They have pretty well followed that practice in that respect.

Mr. PIGEON: Is it because you have no staff or not enough employees that these checks were not made?

Mr. CÔTÉ: It would be more likely pressure of other work.

The CHAIRMAN: Mr. Henderson, have you anything else to table?

Mr. DRYSDALE: Excuse me. I asked about the accounting checks which were made.

Mr. HENDERSON: The accounting checks are similar to those made on the railway of conductors. These toll collectors were issued with numbered tickets covering the various categories of tickets required. I mean by that that they had a number of books of tickets to sell; they had rolls of tickets of various denominations and they made daily reports to the auditors of bridge revenue. The main check with these men would be in drawing new tickets. In other words, if the men were issued with a roll of 100 twenty-five cent tickets, when he sold his tickets he would be entitled to draw another 100 or 200 tickets.

Mr. DRYSDALE: You would know whether or not he issued tickets for the money. If he took the money and did not issue a ticket you would not know.

Mr. CÔTÉ: That is the weakness of the system. However, we have supervisors and have instructions for the men and check the men on that from time to time.

Mr. DRYSDALE: Is there any relation between the Jacques Cartier bridge people and yourselves in respect of the type of checks made? You had a yearly

check, but on the Jacques Cartier bridge there were periods, perhaps from 4 to 6 years, when no checks were made.

Mr. HENDERSON: I only arrived in Montreal in 1955 and I do not know.

Mr. DRYSDALE: Did you wait for a specific request from the Jacques Cartier bridge people in order to make a check?

Mr. CÔTÉ: The practice was we would check the bridge on request.

Mr. HENDERSON: In answer to a question by Mr. Chevrier in connection with the increase in traffic between the last year when we only had one side of the bridge open for traffic and the first year when we had both sides of the bridge open for traffic, we do not have any percentage change in the volume of traffic. We worked on it revenue-wise. The increase between 1955, which was the last year that we only had one side of the bridge open to traffic, and 1957, which was the first full year that we had both sides open—there were no restrictions on either side—shows the increase in revenue was 37.1 per cent.

Mr. DRYSDALE: How much in dollars? Could you give the dollar valuation.

The CHAIRMAN: May I answer that. I understand that the C.N.R., owing to the fact that there is a possibility at some later date that the bridge might be sold, could give you a graph of the rise and fall of the revenue; but they would prefer not to give it to you in actual dollars and cents, if that would be satisfactory to you.

Mr. BOURGET: We have an answer in the percentage. It is not correct, because you would agree with me that if we give for instance 3 or 5 per cent of an increase on 50,000 automobiles, it would have a different meaning if it is 3 or 5 per cent of 300,000. So we should have those in figures and not in percentages.

Mr. CAMPBELL (*Stormont*): I think it is essential that we have something equivalent in order to make a valid comparison between the discrepancies, if there are any, as between the Jacques Cartier bridge and the Victoria bridge. There is no point in having an inquiry here unless they are comparable figures and comparable data.

Mr. DRYSDALE: Could you outline the objections?

Mr. CAMPBELL (*Stormont*): The Jacques Cartier bridge might be sold too. I would hope it would be.

The CHAIRMAN: Mr. Horner was first on the list. Mr. Pigeon, Mr. Campbell and Mr. Drysdale follow. I would like to keep the questioning in order.

Mr. HORNER (*Acadia*): I think I left off this morning when I was dealing with tariffs and the number of times they were changed. What is the number of times they were changed from 1940 to 1959?

Mr. CÔTÉ: I gave that this morning.

Mr. HORNER (*Acadia*): Was it 5 times?

Mr. CÔTÉ: I believe it was.

Mr. HORNER (*Acadia*): Then in 1954 would it be 6 times? I want to compare this to a question I asked Mr. Beaudet in respect of the Jacques Cartier bridge. The tariffs were known to be long outmoded. I think that was the case.

Mr. CÔTÉ: There were 5 changes from 1940 to 1960.

Mr. HORNER (*Acadia*): That is fine. That compares with no changes between 1940 and 1959 in respect of the Jacques Cartier bridge. In this morning's proceedings it was brought out that the automatic machinery was installed and ready for operation in the fall and November of 1957, but did not go into operation until May 10, 1958.

Mr. HENDERSON: As I understand it the national harbours board had some tariff problems and delayed putting their machines into operation. It was hoped

that they and ourselves could commence using the machines simultaneously. In 1958, however, there was still no indication as to how long we would have to wait, so we went ahead on our own.

Mr. HORNER (*Acadia*): Did you have any trouble changing your tariffs? Did you have to go before any other board or body such as the Quebec government or the Montreal municipality, or anything like that?

Mr. CÔTÉ: No.

Mr. HORNER (*Acadia*): You could change them yourselves.

Mr. CÔTÉ: With the governor in council.

Mr. HORNER (*Acadia*): Mr. Henderson, you mentioned something about automatic accounting machinery. You now have that in operation?

Mr. HENDERSON: They are an integral part of the automatic system.

Mr. HORNER (*Acadia*): But you never used them until you had the automatic system.

Mr. HENDERSON: We had purchased some automatic recording devices in 1956 in an endeavour to get a proper traffic count. We had to know the density of traffic during rush hours and we did purchase these tapes which you see lying across the highways. We put them in to get actual counts in order to determine the volume of traffic at any one time. You get a record on that machine and it gives a total every 15 minutes 24 hours of the day of the number of vehicles crossing.

Mr. HORNER (*Acadia*): This is something which kind of amazed us in respect of the Jacques Cartier bridge; that is, why these automatic accounting machines were not used earlier. Did you think they were really correct in giving the count of say the traffic in 1956?

Mr. HENDERSON: We felt they were within 5 per cent.

Mr. HORNER (*Acadia*): Of being accurate?

Mr. HENDERSON: Yes.

Mr. HORNER (*Acadia*): And that was in 1956?

Mr. HENDERSON: We started in 1956 and ran these checks. At that time we had to determine curbs and road construction on the seaway in order to know how wide to make our patterns.

Mr. HORNER (*Acadia*): I asked a question similar to this this morning, and I believe you said you had no actual account of traffic in 1956.

Mr. HENDERSON: We started in some months in 1956.

Mr. HORNER (*Acadia*): It was not for the complete year?

Mr. HENDERSON: That is right.

Mr. HORNER (*Acadia*): Did your revenue increase or decrease? You said the traffic decreased from the years when you had a tally on it. You installed the automatic installation on May 10, 1958, and I think the traffic count was down for that year.

Mr. HENDERSON: Yes sir. The bridge had one side closed from April 28 of that year until October 20. We had only half a bridge, and less than in 1957.

Mr. HORNER (*Acadia*): Did your revenue go down also?

Mr. HENDERSON: Yes.

Mr. HORNER (*Acadia*): When you installed automatic toll collections how much did the revenue go up or down, allowing for similar conditions? By that I mean allowing for no side being closed or anything like that.

Mr. HENDERSON: Coincident with the introduction of automatic toll collection equipment we had a tariff modification. This tariff was really a reduction in the average fare. While we thought there would be a reduction in the revenue, there would be an increase in the traffic because the traffic would be able to pass faster, and we would more than make up what we would use by standardizing the fare.

Mr. HORNER (*Acadia*): You thought it would come out about the same.

Mr. HENDERSON: Yes. And there would be enough money saved in wages to more than make up for the leasing of the equipment.

Mr. HORNER (*Acadia*): You just leased the equipment?

Mr. HENDERSON: Yes.

Mr. HORNER (*Acadia*): Did this result in a similar amount of revenue, or did you have an increase in revenue?

Mr. HENDERSON: We had a decrease in revenue. The year we put the tolls in we had a decrease for two reasons. We honoured the tickets sold on the Jacques Cartier bridge for six cents. We honoured them for six cents and had a reduction on our own tolls of eight cents. So during 1958 right after the introduction of the automatic, we had in effect the Jacques Cartier bridge tariff for those people who bought tickets on the Jacques Cartier bridge and we had the new Victoria bridge tariff with tokens and machines, and one side of the bridge closed down from the time we started until the end of October. It was very hard to determine anything.

Mr. HORNER (*Acadia*): What about the year 1959? Were your revenues up or down in comparison to 1958, assuming that in 1959 all other things were similar.

Mr. HENDERSON: We had an increase in revenue in 1959, which was the first solid year, over 1957 of 5.4 per cent; but I must draw your attention to this—we had the bridge closed in 1959 on one side for 5 weeks in the middle of the summer.

Mr. HORNER (*Acadia*): We could assume the traffic increased in 1959 over 1958 something like 23 per cent. I think you gave that figure this morning if my memory serves me right. I believe it was 23.6 per cent or something like that.

Mr. HENDERSON: That was for certain months. That was the month the bridge was closed down.

Mr. Chevrier at that time was trying to establish how much revenue we lost because we had to close down one side of the bridge. One month we did have a decrease.

Mr. HORNER (*Acadia*): Could you give us a figure for 1957, 1958 and 1959 percentage wise?

Mr. CÔTÉ: We have that in the exhibit filed a moment ago.

Mr. HORNER (*Acadia*): What did you do with passengers before the installation of the automatic tolls? Was there a tariff on passengers?

Mr. HENDERSON: Yes. That was one of the things which had to be corrected in amending the tariff because of the automatic feature. We collected quite a lot of revenue that way but also missed quite a lot of revenue.

Mr. HORNER (*Acadia*): I imagine you now have a similar arrangement with any transport companies like the city bus company has in respect of the Jacques Cartier bridge?

Mr. HENDERSON: We have a flat tariff for those bridges. It is so much a crossing.

Mr. HORNER (*Acadia*): And they pay it?

Mr. HENDERSON: They pay it once a month. We accept a ticket each time that the buses of the various companies cross the bridge and then they are billed once a month.

Mr. PIGEON: I have a question regarding the summary of checks made by the investigation department of the toll collectors for a period of 25 years. (*Interpretation*): In the years 1951 and 1955 who was the man in charge of ordering the checks or investigations?

Mr. CÔTÉ (*Interpretation*): The director of the investigation department.

Mr. PIGEON (*Interpretation*): His name?

Mr. CÔTÉ (*Interpretation*): For a time it was Mr. Shea. He has since been succeeded by Mr. Speering. For 1951 and 1955 it was Mr. Shea.

Mr. PIGEON (*Interpretation*): A while ago you said there had been no check made in those years because of a shortage of staff?

Mr. CÔTÉ (*Interpretation*): I believe, Mr. Pigeon, it would be preferable for me to obtain the information and give it to you next Thursday.

Mr. PIGEON (*Interpretation*): I find something rather suprising here. In the years 1947, 1948, 1949 and 1950 there were no irregularities. In 1951, no checks; and then, in 1952, 44 irregularities were found. I find it hard to explain to myself why during those years there were no irregularities; and then, all at once, there were 44. According to your experience, do you not find it a bit curious or strange?

Mr. CÔTÉ (*Interpretation*): I understand that this document is prepared from facts.

Mr. PIGEON (*Interpretation*): In the course of your practice with the Canadian National Railways have you ever made any recommendations relative to procedures for checking?

Mr. CÔTÉ (*Interpretation*): The method of procedure of our investigations service is to proceed without taking instructions from anyone.

Mr. PIGEON (*Interpretation*): I was speaking as to your position of legal advisor to the Canadian National Railways. Would you not then have a voice in these matters?

Mr. CÔTÉ (*Interpretation*): So far as I am concerned, the legal service was never consulted as to the method of making the checks.

Mr. PIGEON (*Interpretation*): To come back to the matter of the report in 1952, where there were 44 irregularities as a result of no irregularities in the preceding years, that is why I believe it would be important for the members of the committee, as Mr. Gordon appears each year before the railways committee, that the members ask rather precise questions relative to the administration, because I find it rather strange. That is my personal impression. Not directly to the toll collectors but to the bridge, would it be possible to be informed of the present debts of the Victoria bridge?

Mr. CÔTÉ (*Interpretation*): To my knowledge, there have been no issues of debentures to the public relative to Victoria bridge.

Mr. PIGEON: Do you mean, you have no debts about the Victoria bridge?

Mr. CÔTÉ (*Interpretation*): That depends on how you look at the problem.

Mr. PIGEON: Because the Montreal population thinks the bridge is paid for.

Mr. CÔTÉ: That depends what you take into account—if you consider the whole bridge or if you consider just the roadway facilities. If you go to the roadway facilities only, which share of the main structure should these facilities bear? That is a question of engineering and accounting practice. I do not know if any two sets of experts will agree as to which part the roadway facilities would bear on the expense incurred for the main structure.

Mr. PIGEON (*Interpretation*): Would the engineer here know anything about that? In your opinion, then, there is no debt on Victoria bridge?

Mr. CÔTÉ: I would say the C.N.R. owes nobody any money in respect of Victoria bridge.

Mr. PIGEON: Thank you.

Mr. CAMPBELL (*Stormont*): Mr. Henderson, when was the first time that you made inquiries of the company that provided the automatic toll collection system? I mean, the first date you had any communication with that company?

Mr. HENDERSON: On February 9, 1956.

Mr. CAMPBELL (*Stormont*): February 9, 1956—that was after Mr. Beaudet had already contacted them about this, is that correct?

Mr. HENDERSON: I am not sure the day he contacted them.

Mr. CAMPBELL (*Stormont*): I think we have that in the evidence, and I will have to check that later.

There is another thing on similar lines: After the installation of the automatic toll equipment—and, in fact, very recently—there was a prosecution on the Jacques Cartier bridge for a toll collector who took money directly from a passenger, and he deposited a token. Apparently, this was a new possibility of infraction of the regulations. When were investigations first made on Victoria bridge to determine whether this type of infraction was being incurred there?

Mr. HENDERSON: This is done continuously by our own bridge supervisory staff.

Mr. CAMPBELL (*Stormont*): But what was the first date on which it was discovered this was a possible way of contravening the new system?

Mr. HENDERSON: The regulations governing the use of automatic toll collection equipment are based on the premise that the type of toll is a transaction between the customer and the machine.

Mr. CAMPBELL (*Stormont*): Quite.

Mr. HENDERSON: The toll collector is not really a toll collector any more: he sells token and classifies trucks, and never touches the revenue for the company. It is strictly a matter between the customer and the machine.

Mr. CAMPBELL (*Stormont*): From the beginning of the installation of the new system you were, presumably, then on guard against this type of infraction?

Mr. HENDERSON: Yes, that is correct.

Mr. CAMPBELL (*Stormont*): When was the first instance discovered of any person disregarding these regulations, or ignoring them?

Mr. CÔTÉ: I would say we had one case in January, 1960, of one collector charging money to the car driver and putting in a token instead of letting the car driver put a quarter in the hamper.

Mr. CAMPBELL (*Stormont*): What happened to him; what was the result of that?

Mr. CÔTÉ: He was dismissed.

Mr. CAMPBELL (*Stormont*): From the time of the installation of this automatic toll system, was it working properly, right from the time of the original installation? Did you have any difficulty in the operation of it?

Mr. HENDERSON: We have had numerous difficulties with it. It was the first installation of this particular type of machine by this company in a cold-weather climate.

We have a problem at the Victoria bridge location. We are right beside a large pile of coal—a very large pile of coal. With the wind in the wrong direction for us the coal dust blows over on to the bridge and the machines fill up or block up with this coal dust.

We also had problems with the treadles that actuate the lights, due to frost and a lack of proper drainage. Chiefly these conditions were caused by the weather and coal dust.

I myself have seen these machines working. They are semi-portable. In other words, when one breaks down it is unplugged and taken inside. There it is worked on while another is plugged in in its place. I have seen them trying to dislodge coal dust with a hammer and chisel. It packs in solid till the machine jams.

Mr. CAMBELL (*Stormont*): The information or data that originally instigated this investigation was a discrepancy of some 30 per cent in revenue on the Jacques Cartier bridge, before and after installation of the automatic toll system. The C.N.R. issued a statement to the effect that their discrepancy amounted to just approximately 5 per cent. If there was this difficulty with the operation of the new system, how could you possibly have arrived at an accurate figure of 5 per cent, and how was that figure arrived at?

Mr. HENDERSON: The moment we have trouble with the equipment we take it out. This equipment is on a lease. We have replacement units in the building, right beside the toll facility, that our men can install. Our supervisors can install that equipment. The company that leases us the equipment provides service on the equipment. The moment we have trouble they send a serviceman down to clean up the equipment, or whatever has to be done.

Mr. CAMPBELL (*Stormont*): How was this figure of 5 per cent arrived at, and is it a comparable figure—is it at all relevant in its content to this figure of 30 per cent that was adduced with regard to the Jacques Cartier bridge? Would you know that; or who would know that? Who was it issued this statement on behalf of the C.N.R., and on what information did they issue it?

Mr. HENDERSON: I do not think I have seen that statement.

Mr. CAMPBELL (*Stormont*): That statement was in the *Montreal Star*, I believe, and in several other Montreal newspapers. Was there not a statement issued by the C.N.R. to that effect?

Mr. HENDERSON: Not that I know of. I know of a note to editors that was made.

Mr. CAMPBELL (*Stormont*): Was there no statement of any nature ever issued, no public statement ever issued by the C.N.R. authority with regard to the discrepancy before and after installation of the automatic toll equipment—a discrepancy in revenue?

Mr. HENDERSON: I do not think so, but I will check and get the answer for you.

Mr. CAMPBELL (*Stormont*): If you could check that. Perhaps you could also find out the information on which that statement was made, if any such statement was made. If no such statement was made, would you endeavour to find a figure that is a comparable figure to that given by the Jacques Cartier bridge authority, so we can compare the two?

Mr. HENDERSON: We have already given you the percentage change in revenue, as between 1957 and 1958. We could also give you a comparison, or the percentage difference between 1957 and 1959.

Mr. CAMPBELL (*Stormont*): So, from the information you have already filed, we could arrive at this information?

Mr. HENDERSON: Yes.

Mr. CAMPBELL (*Stormont*): Is that correct?

Mr. HENDERSON: Yes.

Mr. CAMPBELL (*Stormont*): There was a statement made just a few minutes ago that the investigation service proceeds without any instructions. That seems like a rather—it would seem they were a completely irresponsible body.

Mr. CÔTÉ: Perhaps my explanation was poorly worded. The idea is that those who are going to be investigated should not know the investigation is coming.

Mr. CAMPBELL (*Stormont*): Quite.

Mr. HENDERSON: For that reason, there is no information given around as to when the investigation department should go and make an investigation at any particular point.

Mr. CAMPBELL (*Stormont*): Naturally, you have to preserve secrecy, or defeat the purpose of the investigation. But the system of investigation—to see whether this is adequate or not—who lays down the rules? In other words, who is the investigation service responsible to?

Mr. CÔTÉ: The investigation service is responsible to the department of the employees who are under investigation, to each department.

Mr. CAMPBELL (*Stormont*): It is responsible purely to the department head of the employees who are being investigated?

Mr. CÔTÉ: In the case of the Victoria bridge, at the present time the investigation checks are made, and reports are made to Mr. Henderson.

Mr. CAMPBELL (*Stormont*): But the department head would seem to have a vested interest in ensuring his own department was not found delinquent. Does it not seem an impractical arrangement, that the investigation head should be responsible to the head of the department that he is investigating at a particular time?

Mr. CÔTÉ: The investigation department, up to a year or so ago, reported direct to the president's office. The president was the one responsible for the activities of that department.

Mr. CAMPBELL (*Stormont*): Presumably then, someone on the president's immediate staff would be responsible for the adequacy of the form of investigation used?

Mr. CÔTÉ: I would expect so.

Mr. CAMPBELL (*Stormont*): Now, I notice that the pedestrian and vehicle traffic tariff was initially put into force in 1900. It would seem the bridge would have been paid for long ago, in that period, would it not?

Mr. CÔTÉ: As I say, it depends what sort of expense you put against revenue.

Mr. CAMPBELL (*Stormont*): Would it not be the expense of the initial construction of the bridge, plus the regular maintenance involved—is that not the normal accounting method?

Mr. CÔTÉ: I would say, Mr. Campbell, if you take the whole structure, the expenditures are in excess of revenue for the 60-year period.

Mr. CAMPBELL (*Stormont*): Are you saying, sir, that each year your maintenance costs on the Victoria bridge exceed the revenues derived from it?

Mr. CÔTÉ: Well, the element of expense is not only maintenance. There are the wages of toll collectors—

Mr. CAMPBELL (*Stormont*): That is included in maintenance, is it not?

Mr. CÔTÉ: No, we classify it differently.

Mr. CAMPBELL (*Stormont*): Maintenance and administration?

Mr. CÔTÉ: Yes, administration, supplies. There is interest on capital expenditure, and there is depreciation on the facilities.

Mr. CAMPBELL (*Stormont*): In a period of between 50 and 60 years, would it not be reasonable to assume that the interest would have all been paid off, that the capital would have been paid off?

Mr. CÔTÉ: That is what we have. If we take the whole structure into consideration—

Mr. CAMPBELL (*Stormont*): Are you saying the bridge has been operating at a loss?

Mr. CÔTÉ: Again, "at a loss"—

Mr. CAMPBELL (*Stormont*): I am not referring to the whole C.N.R. operation, which is an essential public service and it is necessary to subsidize it; but I am referring to the bridge itself, as a bridge, as a separate entity. We would not want the Victoria bridge to subsidize the C.N.R. operation.

Mr. CÔTÉ: I would say, if you compare expenses applicable solely to roadway facilities, I think there has been some benefit for a few years.

Mr. CAMPBELL (*Stormont*): Could we get appropriate figures on that? After all, this is an inquiry into the administration of that bridge, and as to whether it is performing the service that it was designed to perform, its *raison d'être*. That is a point of interest—the benefits that accrue to the city of Montreal.

Therefore, I think it is essential if we are going to investigate the organization and administration of this sort of public service, we have to get figures on it. Could those be obtained?

Mr. CÔTÉ: I should say, Mr. Chairman this question has been asked of the company many times in the past.

Mr. CAMPBELL (*Stormont*): Has the company refused to give this information?

Mr. CÔTÉ: The company has not given it in the past.

Mr. CAMPBELL (*Stormont*): Why not?

Mr. CÔTÉ: The question has always come up in the house and before committees of the house. We have never been forced to give this information, for the reason it was not in the company's interest to give it. The main reason we have is that the roadway facilities on the Victoria bridge constitute a commercial saleable asset, and we feel that giving revenue figures affecting it or attached to it, would affect the saleability of that facility.

Mr. CAMPBELL (*Stormont*): I put it to you that it probably is not in the best interests of the company to appear before this committee, but nevertheless it may be in the public interest for it to do so. I think the same thing applies to this bridge.

Mr. CÔTÉ: We knew when the Victoria bridge was added by the terms of reference for this committee, that in connection with toll collection operations we would be faced with this same question. Then it became a problem for the management of the company to try to devise some method whereby we would give to you information that would meet your requirement and at the same time protect the company's position. To that end we have prepared a chart made of the actual revenue which will show you exactly the trend of revenue on the Victoria bridge.

Mr. CAMPBELL (*Stormont*): There is another factor. You referred to the C.N.R. as being a commercial entity. It is in the sense that it is competing with a private commercial operation, the C.P.R.; but nevertheless other—

wise it is an emanation of the crown and, to the extent it is subsidized by the people of Canada, there is a public interest in seeing that there is an efficient operation of the bridge and of the C.N.R. in general.

Mr. CÔTÉ: It is not that we have anything to hide. To prove that is so, we are quite willing to give the actual figures to the chairman or the steering committee in confidence.

Mr. CAMPBELL (*Stormont*): Fine.

The CHAIRMAN: Is that satisfactory?

Mr. CAMPBELL (*Stormont*): Yes.

Mr. CÔTÉ: The main objective is we do not want these figures made public.

Mr. FISHER: Would Mr. Campbell tell us why he wants the figures. I will be one of the persons who will have a chance to look at it. What do you want us to look for?

Mr. CAMPBELL (*Stormont*): I will be glad to speak to the steering committee afterwards.

I understand the checks made on the Victoria bridge were made simultaneously with the checks on the Jacques Cartier bridge? Is that right?

Mr. CÔTÉ: In some instances, yes.

Mr. CAMPBELL (*Stormont*): But not in each instance?

Mr. CÔTÉ: No; because we had checks of the Jacques Cartier bridge only in certain years, whereas in our case we had them every year except for two years in 25.

Mr. CAMPBELL (*Stormont*): Any time the check was made on the Jacques Cartier bridge would there at the same time be simultaneously checks made on the Victoria bridge? Is that correct?

Mr. CÔTÉ: I would think so.

Mr. CAMPBELL (*Stormont*): That is fine, sir.

Mr. CÔTÉ: I think they operate on the circuit.

Mr. DRYSDALE: I have just one or two questions. Mr. Campbell has covered quite a bit of my material. I would like to return to the matter of the revenue figures on the bridge. I have a little difficulty understanding some of the reasons you have given so far as to why they cannot be revealed. You say perhaps it is because "we might want to sell the bridge".

Mr. CÔTÉ: If we are on a buyer's market or a seller's market the disclosure of figures would affect the price we would get for it.

Mr. DRYSDALE: I think any practical purchaser would want to see an audited report of the revenue and expenditures and your cost over the years. I assume it would be the city of Montreal you would try to unload the bridge on, and since it would become public information to them, I cannot see how anyone would be prejudiced.

Mr. CÔTÉ: If I go to buy a house—

Mr. DRYSDALE: A bridge is different.

Mr. CÔTÉ: —I am not to investigate and find out too much about the background.

Mr. DRYSDALE: If you had a house where it probably was not in a good area or tended to flood in the winter, in the summer when it looked nice and the grass was green you might say "I will unload it". It is different in the case of a bridge. So far as I can ascertain there will be only one buyer, the city of Montreal.

Mr. FISHER: Or the province of Quebec.

Mr. DRYSDALE: Two buyers.

An hon. MEMBER: Or more.

Mr. DRYSDALE: Regardless of who would be buying the bridge there would still, I assume, have to be an audited statement for those particular individuals and I cannot see, in my mind, what the objection is to producing these figures so that we can get a factual and fair indication of the operations of the Victoria bridge.

Mr. CAMPBELL (*Stormont*): I might say I fail to see the validity of this argument also.

Mr. DRYSDALE: Did Mr. Gordon tell you not to give the figures?

The CHAIRMAN: Mr. Gordon refused on other occasions.

Mr. HORNER (*Acadia*): These figures will be given to the steering committee. I fail to see why they have to be made known.

Mr. DRYSDALE: I disagree that the steering committee should be forced to have the responsibility for these figures in confidence. I want to see the reason we cannot get these figures, aside from the fact that Mr. Gordon refuses to give information on almost everything.

Mr. CÔTÉ: The policy has been the same all along, before Mr. Gordon started.

Mr. DRYSDALE: I am not interested in the policy. I just want a logical reason why we cannot see the figures.

Mr. FISHER: On a point of order, I think the thing for Mr. Drysdale to do is to put a motion. We have had this experience before. Last year he and Mr. McPhillips on another occasion wanted information and a motion was put. It seems to me there is no point in belabouring Mr. Côté on this. If we as a committee want the figures, then we should be prepared to vote for it and insist they come.

Mr. DRYSDALE: I am trying to give Mr. Côté every opportunity. There is no desire on my part to prejudice the C.N.R., but I also want to have something which is logically satisfactory as to why we cannot have the information and, with respect, I have not seen it.

Mr. CÔTÉ: As I say the terms of reference of this committee do not deal with abolition of tolls.

Mr. DRYSDALE: What was that?

Mr. CÔTÉ: The terms of reference do not deal with the abolition of tolls on the Victoria bridge. We do not feel that these revenue figures should be made public and perhaps be ammunition for perhaps a campaign of abolition of tolls.

Mr. CAMPBELL (*Stormont*): Is that the reason why the management refuses to disclose it, because it will add fuel to the campaign for the abolition of tolls. You have as much as stated that.

Mr. CÔTÉ: No. The main reason is the one I stated before.

Mr. CAMPBELL (*Stormont*): You also intimated the reason is it will add fuel to the campaign on the part of the city of Montreal to abolish tolls.

Mr. CÔTÉ: That I am giving on my own.

Mr. DRYSDALE: The scope of this committee is that we be empowered to consider the toll collection operations at the Jacques Cartier bridge and the Victoria bridge in Montreal, Quebec. We have the operations and the figures in respect of the Jacques Cartier bridge and are now trying to compare them. It is a little difficult to compare even the semi log charts which were provided in the other committee and we are trying to get the figures on a comparable basis. I realize you do not want to disclose anything when you are in the railway business. The less you disclose the better; but it is of interest to the committee.

Mr. SMITH (*Calgary South*): I would like to speak to Mr. Drysdale's point of order. Mr. Fisher made a relevant point when he inquired, as a member of the steering committee, what it is that my friends wish to find out from this information, assuming it is shown to the steering committee. I raise the point because we have been through this same issue many times before with Mr. Gordon on another matter. Based on the offer of the witness to provide this to the steering committee, if the members would indicate what they wish to receive it would seem we could come to some agreement in order to obtain a satisfactory solution. How do we know it will be satisfactory, assuming this information is given?

Mr. DRYSDALE: The same difficulty came up in respect of the C.N.R. where it was offered in confidence. The responsibility is on the steering committee in case it leaks out. I do not want to take that responsibility. I do not see any reason why it cannot be divulged. As Mr. Bourget pointed out it depends on 5 per cent of what? I would like to see the absolute figures. I am simply trying to give Mr. Côté every opportunity to explain why it should not be divulged.

Mr. CAMPBELL (*Stormont*): I do not think Mr. Gordon is entitled to any particular immunity or special consideration in respect of the bridge. In respect of the Jacques Cartier bridge they were required to give the information. I think the C.N.R. which is operating a comparable service should be required to do the same.

Mr. Gordon does not have any particular immunities in this house.

Mr. McPHILLIPS: Mr. Chairman, speaking on the point of order: the situation we have heard is entirely different to that of the president of the C.N.R. coming before the other committee. It is simply a provision in a statute of Canada that he has to appear once a year, and give an account of his stewardship. However, this is an order of the House of Commons to investigate these two bridges, and I do not think it is any question for a vote. This witness is under oath, and one of the things we have a right to know is the revenue derived from the tolls on the Victoria bridge. He has no immunity from answering that question, and I am going to demand that he answer it.

Mr. CAMPBELL (*Stormont*): One thing more, Mr. Chairman. To me, the whole essence of this inquiry is that we have some check on the Jacques Cartier bridge, and unless we have comparable information we cannot check. This whole inquiry is frustrating—and unless we have comparable figures we might as well go home. I think parliament and this committee is frustrated.

Mr. BOURGET: I think you are right.

Mr. DRYSDALE: As far as these bridges are concerned, the point which Mr. Chevrier raised for having this particular bridge brought into it was the fact the tolls and commutation tickets were interchangeable. Under certain circumstances they were interchangeable. It would seem to me that if we have the figures on the Jacques Cartier bridge, we are entitled to the figures on the Victoria bridge, as Mr. McPhillips pointed out, under the terms of this particular order.

Mr. CÔTÉ: Well, Mr. Chairman, I would like to say that we are not in any way disputing the authority of this committee.

We recognize that if this committee wants to have the information, there is nothing we can do. However, there is this difference between the Jacques Cartier bridge and the Victoria bridge. The Jacques Cartier bridge has always produced revenue figures in an annual statement.

Mr. DRYSDALE: You do not produce your figures at all?

Mr. CÔTÉ: In so far as we are concerned, there is no production.

Mr. BOURGET: As a compromise, could we refer it to the steering committee, and whatever they decide is all right?

Mr. CAMPBELL (*Stormont*): I would think probably to refer it there for consideration—However, we are not going to divest ourselves of the responsibility. In other words, we are not going to turn our responsibility, in this instance, over to the steering committee.

I do not think Mr. Gordon should enjoy any personal immunities before this house. This is a matter of principle—whether it is Mr. Gordon or anybody else. In this particular instance it is a matter of principle rather than a matter of opinion. I would be glad if the steering committee did consider this matter. However, we are not going to surrender our discretion to the steering committee, in this particular instance.

Mr. BOURGET: You are not doing that.

The CHAIRMAN: Order, gentlemen.

Mr. DRYSDALE: I would move that this matter be referred to the steering committee and, if necessary, that we have Mr. Côté and Mr. Henderson before the steering committee to outline in detail the reasons why the information should not be given to the committee.

Mr. FISHER: Mr. Chairman, could we ask—

Mr. DRYSDALE: I have not a seconder.

Mr. PAYNE: I am opposed to the resolution.

Mr. DRYSDALE: I have not a seconder. Would you like to second it, and oppose it?

Mr. PAYNE: No.

Mr. SMITH (*Calgary South*): I will second the resolution, so it can be discussed.

Mr. PAYNE: Speaking on the resolution, to which I am opposed in principle, I am opposed to any tactical manoeuvre through a committee, denying information.

It is just as patently ridiculous as this excuse that we have been given within the last few minutes that the sale of a railway bridge is practical. Can anybody conceive of anything any more ridiculous than the sale of the railway bridge unless they sell the railway along with it?

Mr. CÔTÉ: I would respectfully suggest this, Mr. Chairman. We have here a chart on revenue made—on the actual revenue; and I feel that if that chart was distributed to the members of the committee, and was explained to you, that you would feel that it meets your requirements and, at the same time, would protect our position.

Mr. PAYNE: There is a motion before this committee, and the witness is out of order in expressing his opinions at this time. It is up to the committee to discuss the motion, and vote thereon. I do not think we require direction from witnesses who are appearing before us at this time.

Mr. DRYSDALE: You have to support it, Art.

Mr. SMITH (*Calgary South*): I will second the motion, so it can be discussed—and my reason for doing so is that I have not yet been able to understand why it is the witness does not wish to disclose the information. In this way the steering committee would have an opportunity of sitting with these gentlemen and perhaps, make an assessment of the picture—and with their combined knowledge, make an intelligent report to us.

My basic feeling now is that I think this could once again get us out of another situation. They could come back and report. I do not see why they cannot give it and, perhaps they could give it to the steering committee.

Mr. HORNER (*Acadia*): On this motion, Mr. Drysdale who is a member of the steering committee failed to accept the responsibility of the figures that were offered to the steering committee, and yet he wants Mr. Côté and Mr.

Henderson to appear before the steering committee to explain more fully the reasons why these figures cannot be presented—and maybe the figures would be presented at this time.

I think Mr. Drysdale is completely contradicting his first statement, when he said he would not accept the responsibility. I think that anything that is going to go before the steering committee should go before the whole committee. I am not a member of the steering committee, and I am interested in this bridge and the Victoria bridge.

I do not think, as Mr. Campbell said, that we should run everything to the steering committee, and then funnel it back to the whole committee and say: we will allow you to see this much. That does not sound like proper procedure to me. I think the authority should always rest with the whole committee in regard to what they are going to investigate, what figures they are going to request, receive, and so on.

Mr. BOURGET: Mr. Chairman, I have no objection at all that this information be made available to the committee. However, there is one thing: I think, as members of this committee, we are putting the witness in a very bad situation because, probably, he has to receive orders. I do not think it is right for us to force him to disclose. That is the reason why I made the suggestion to refer the question to the steering committee.

Mr. DRYSDALE: We will have to send for Mr. Gordon.

Mr. CAMPBELL (*Stormont*): Have you received instructions not to convey this information to this committee, either expressed or implied?

Mr. CÔTÉ: I received instructions to object to the disclosure of this information.

Mr. CAMPBELL (*Stormont*): Who issued those instructions? May I ask that?

Mr. CÔTÉ: The management of the company.

Mr. CAMPBELL (*Stormont*): Who is that?

Mr. CÔTÉ: Well, most of it was from the executive vice president. But, I had no instructions to refuse to give the information.

Mr. CAMPBELL (*Stormont*): Unless it was asked.

Mr. CÔTÉ: Of course, we recognize the authority of the committee to have the information, if they want to have it. We recognize that there is no question about that.

Mr. HOWE: He has just admitted that he is agreeable to give the information, if we press him for it. Well, why will he not give it?

Mr. CÔTÉ: Well, I do not think—

Mr. CAMPBELL (*Stormont*): The only one we can get the information from is Mr. Gordon; is that correct?

Mr. CÔTÉ: Not necessarily.

Mr. CAMPBELL (*Stormont*): Or someone he will delegate, on his behalf, to give it.

Mr. CÔTÉ: Not necessarily, Mr. Campbell.

Mr. CAMPBELL (*Stormont*): There has to be a release from him; is that correct?

Mr. CÔTÉ: No.

Mr. CAMPBELL (*Stormont*): Or from someone, on his behalf.

Mr. CÔTÉ: I have had no instructions of that nature issued by Mr. Gordon.

Mr. HORNER (*Acadia*): Mr. Chairman, we should deal with the first motion.

The CHAIRMAN: We have a motion from Mr. Drysdale. Have you written it out, Mr. Drysdale?

Mr. DRYSDALE: No; but the motion is simply to refer the matter to the steering committee.

The CHAIRMAN: Mr. Drysdale has said that the motion is to refer this matter to the steering committee. Mr. Côté would be present at the meeting of the steering committee to tell them the reasons why these figures cannot be given. Is that your motion?

Mr. DRYSDALE: Yes, Mr. Chairman; that is it, in essence.

The CHAIRMAN: And then the steering committee will report back to the main committee?

Mr. HORNER (*Acadia*): Let us have the question.

The CHAIRMAN: Report what back to the committee?

Mr. DRYSDALE: It would be a case of reporting the findings of the steering committee. The only reason for my doing this particular thing is that there is no desire to prejudice something which Mr. Côté might not be able to reveal publicly at this time, and which he might reveal to the steering committee.

Mr. CÔTÉ: It would be useful also, Mr. Chairman, if perhaps somebody else would wish to come with me to make representation to the steering committee.

The CHAIRMAN: I would imagine that would be all right in your motion?

Mr. DRYSDALE: Yes.

Mr. SMITH (*Calgary South*): Then may I have a full explanation, sir, of the resolution that I second? Is it primarily that we are going to have the steering committee receive a comprehensive explanation of why this information should not be disclosed? Is that the principle involved?

The CHAIRMAN: That seems to be the principle, but the trouble is that the steering committee is put in a worse spot than ever. The steering committee brings back its report, and then this committee would discuss the matter fully again, and the committee would not be any further ahead than it is now.

Mr. CAMPBELL (*Stormont*): Mr. Chairman, in order to solve this dilemma, I make a motion that this information be revealed.

The CHAIRMAN: There is a motion before us already.

Mr. HORNER (*Acadia*): Let us have the question on the motion that is now before us.

Mr. CAMPBELL (*Stormont*): I make an amendment to this motion, then, to the effect that this question be answered, or that Mr. Gordon, or someone else on behalf of the C.N.R., appear before the whole committee and convince us why it should not be answered.

The CHAIRMAN: The motion that you have just made, Mr. Campbell, is a negative of the main motion, and therefore it is out of order.

Mr. CAMPBELL (*Stormont*): All right; let us have the question on the first motion.

The CHAIRMAN: Mr. Drysdale moved the motion regarding referring this matter to the steering committee. All those in favour of that motion?

The CLERK OF THE COMMITTEE: Four yeas.

The CHAIRMAN: Those opposed?

The CLERK OF THE COMMITTEE: Ten.

The CHAIRMAN: Motion defeated. Now, gentlemen, it is after 5.30—

Mr. HORNER (*Acadia*): Let us settle this question.

Mr. CAMPBELL (*Stormont*): What about the motion I made?

The CHAIRMAN: You will have to make it over again.

Mr. FISHER: I make a motion for adjournment.

Mr. CAMPBELL (*Stormont*): I make a motion that this information be given to the committee, or that someone—

The CHAIRMAN: Before you made that motion, Mr. Fisher moved that we adjourn.

Mr. HORNER (*Acadia*): No, I am opposed to that.

Mr. CAMPBELL (*Stormont*): I was on my feet long before Mr. Fisher made that motion. I make a motion that this information requested be revealed to the committee, or that this committee be convinced by someone to withdraw the question. In other words, that this question be answered.

Mr. McPHILLIPS: Mr. Chairman, I want to express a point here. I say this is utterly ridiculous, making motions about this thing. The witness has been asked a question. He is under oath, and he has the information. He must answer, irrespective of his own wishes. He must answer before this parliamentary committee.

Speaking for myself, I demand that he answer, or he can take the consequences of contempt.

Mr. ROGERS: Silly, raw man!

The CHAIRMAN: Mr. McPhillips, Mr. Côté said at the beginning that he did not think it was in the public interest to reveal this information.

Mr. McPHILLIPS: It is not up to him to say whether it is in the public interest or not.

Mr. CAMPBELL (*Stormont*): We are the representatives of the public, not he.

Mr. PAYNE: The witness stated that it might prejudice the sale of the bridge, and that was not in the public interest. If that is not the most patent, ridiculous nonsense that has ever been fed to a parliamentary committee, I would like someone to come up with a bigger kettle of fish.

This committee has clearly indicated that they do not wish, but expect this information given, and given forthwith. For heaven's sake let us get on with it.

The CHAIRMAN: Mr. Campbell had a motion.

Mr. DRYSDALE: Nobody seconded it.

Mr. CAMPBELL (*Stormont*): The motion is not necessary, if the information is forthcoming. I think this committee is convinced it should not be deprived of it.

The CHAIRMAN: I am going to ask Dr. Ollivier, to say a word on this question.

Dr. MAURICE OLLIVIER (*Law Clerk of the House of Commons*): I will be very short, Mr. Chairman, I think the witness has the right to state that he does not think it is in the public interest to give the information; but if the committee wants it, then somebody can make a motion and ask for the information to be given, and then it will be given.

I think it is just as simple as that. But I do not think the witness should be attacked, or anything of that sort. I think he has the right to be protected before the committee. He has the right to state in his answer that he does not think it is in the public interest to give that information. If you do not believe him, make a motion that the information be given. That settles it.

Mr. CAMPBELL (*Stormont*): I make a motion that this information be given.

The CHAIRMAN: Seconded by Mr. Bourbonnais. It has been moved by Mr. Campbell that the information asked for regarding the revenue on the Victoria bridge be produced at our next meeting.

Mr. CAMPBELL (*Stormont*): Quite.

The CHAIRMAN: What is your pleasure on this motion, gentlemen? Those in favour of the motion will kindly indicate. Contrary? Unanimous.

Now, gentlemen, we have one document—

Mr. DRYSDALE: Do we get the information?

The CHAIRMAN: It has been asked for. It has been moved that it be produced at the next meeting. I am going to bring that up in a minute.

We have one document here that was produced by Mr. Côté today. I want to find out from you, gentlemen, whether you wish this printed as an appendix or not. Do you wish this printed as an appendix to the minutes of this meeting? (*Refers to Appendix "D" hereto.*)

Mr. DRYSDALE: I would so move.

The CHAIRMAN: Moved by Mr. Drysdale; seconded by Mr. Fisher that it be printed as an appendix.

Next Tuesday at 9.30—that is Tuesday, May 10—Messrs. Roberts, Murphy and Poole will be witnesses. Is it your pleasure that we have Mr. Côté and Mr. Henderson return as witnesses before this committee on Thursday, May 12?

Mr. HORNER (*Acadia*): Is Mr. Côté going to table the information—yearly figures of revenue? Will they be in the printed proceedings for the next meeting?

The CHAIRMAN: No, they will not be in by then. He has not produced them yet. They have been asked for.

Mr. McPHILLIPS: The committee has voted that he has got to produce them. Let him produce them right now.

Mr. CÔTÉ: As to revenue, Mr. Chairman, I am not competent to give information; but we will have a representative from our accounting department, who is in charge of revenues, give you the information. We will have him come here and give you that information.

The CHAIRMAN: The motion was that these be produced at our next meeting.

Mr. HORNER (*Acadia*): No, no, that was not the motion.

The CHAIRMAN: That was included in the motion.

Mr. HORNER (*Acadia*): It was that they be produced.

The CHAIRMAN: The clerk took it down.

Mr. CAMPBELL (*Stormont*): I am satisfied with that motion, Mr. Chairman.

The CHAIRMAN: That will be at the next meeting when Mr. Côté and Mr. Henderson are here; is that satisfactory?

Mr. CAMPBELL (*Stormont*): No; I understood that the next meeting would be on Tuesday. It may not be necessary for Mr. Henderson and Mr. Côté to be here at the meeting next Thursday, because we may want to hear more from Mr. Roberts. I understood from that motion that those figures would be produced on Tuesday, the next meeting of this committee. In that sense in which I understood it, I am quite prepared to accept that interpretation of the motion.

Mr. BOURGET: Do I understand, Mr. Chairman, that Mr. Côté and Mr. Henderson will be available at some other meetings?

The CHAIRMAN: That is what we had in mind, that they would be here on Thursday, May 12.

Mr. FISHER: May I have the privilege of adjourning the debate?

The CHAIRMAN: Mr. Roberts, Mr. Murphy and Mr. Poole have already been summoned for Tuesday, and will be here on Tuesday morning. They might not be available at a later date, but we know they are available for Tuesday. That is what I am getting at regarding these figures, whether we would have time on Tuesday to hear from Mr. Henderson or Mr. Côté.

Mr. CAMPBELL (*Stormont*): Mr. Chairman, we want to study these figures anyway. We want to have them on Tuesday. It does not matter whether we can hear Mr. Côté and Mr. Henderson or not. We want to study the figures in the interim, and it would be far better if Mr. Henderson and Mr. Côté were not here on Tuesday, so that we have an opportunity of studying those figures, so that when we have assimilated them we will be able to ask intelligent questions of these gentlemen.

The CHAIRMAN: Motion for adjournment? Mr. Fisher moves.

Mr. DRYSDALE: I second the motion.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANAUX ET LIGNES TÉLÉGRAPHIQUES

(Page 863)

M. PIGEON: Monsieur Côté, je voudrais vous demander depuis quelle année vous êtes en fonction comme avocat du National-Canadien?

M. CÔTÉ: 1931.

M. PIGEON: Quel est, comme avocat du National-Canadien, le rôle que vous jouez, que vous avez joué "vis-à-vis" les péagers?

M. CÔTÉ: Aucune fonction particulière.

M. PIGEON: Lorsqu'il y avait des plaintes, est-ce qu'elles vous étaient "référées"?

M. CÔTÉ: Les plaintes, d'habitude lorsqu'il y avait des irrégularités que notre service "d'investigation" aurait constatées, ces plaintes allaient du bureau de l'"investigateur" à l'employeur des péagers qui est, dans le cas présent, M. Henderson.

M. PIGEON: Lorsqu'un péager, après enquête, était trouvé en défaut, est-ce que vous aviez à décider de son renvoi?

M. CÔTÉ: Naturellement, tous ces employés appartiennent à des unions, aucun de ces employés ne peut être démis de ses fonctions à moins qu'il y ait une enquête. Et à cette enquête, l'employé est représenté par son représentant de l'union.

M. PIGEON: Lorsque l'enquête avait prouvé qu'un péager était en défaut, est-ce qu'avant de prendre une décision, vous étiez dans l'obligation de consulter le représentant de l'union?

M. CÔTÉ: Il n'y avait aucune consultation avec le représentant de l'union. L'employeur prend la décision de démettre l'employé de ses fonctions ou de le suspendre. Et c'est sur cette charge-là que l'employé est convoqué à l'enquête.

M. PIGEON: Depuis, disons, les 15 ou 10 dernières années, est-ce que, à la suite d'irrégularités, vous avez une idée approximative des sommes d'argent, par année, qui ont été perdues?

M. CÔTÉ: Non.

* * *

M. PIGEON: Mais avez-vous une idée quand même?

M. CÔTÉ: Non.

* * *

M. PIGEON: Comme sur le pont Victoria et le pont Jacques-Cartier, est-ce que vous aviez des services de police quelconque qui faisaient des "investigations"?

M. CÔTÉ: Nous avons les enquêteurs de notre service des "investigations".

M. PIGEON: Est-ce que c'était le même service des enquêteurs et sur le pont Jacques-Cartier et sur le pont Victoria?

(Page 864)

M. CÔTÉ: Le même personnel.

M. PIGEON: Supposons, durant les 10 ou 15 dernières années, est-ce que vous avez déjà reçu des lettres pour recommander des hommes comme péagers?

M. CÔTÉ: Je n'ai pu en trouver aucune.

M. PIGEON: Vous n'avez reçu aucun appel téléphonique, aucun...

M. CÔTÉ: Pas que je sache.

M. PIGEON: Lorsqu'il était prouvé qu'un péager avait manqué à son devoir, est-ce que le péager était questionné de façon à avoir une idée un peu de la somme qui avait été dérobée, je veux dire la somme qui avait été perdue?

M. CÔTÉ: Non.

* * *

(Page 874)

M. PIGEON: Durant les années 1951-1955, quel était l'homme préposé à ordonner les vérifications, c'est-à-dire les "checkages"?

M. CÔTÉ: Le directeur du service des "investigations".

M. PIGEON: Son nom?

M. CÔTÉ: Pour un temps, c'était M. Shea, à qui a succédé, depuis, M. Sparring. Pour les années 1951 et 1955, c'était M. Shea.

M. PIGEON: Vous avez dit tout à l'heure qu'il n'y avait pas eu de vérification de faite durant ces années-là à cause d'un manque de personnel?

M. CÔTÉ: Je crois, monsieur Pigeon, qu'il serait préférable que j'obtienne l'information et que je vous la donne jeudi prochain.

M. PIGEON: Ici, je trouve quelque chose d'assez surprenant: durant les années 1947, 1948, 1949, 1950, il n'y a eu aucune irrégularité de rapportée; et durant l'année 1951, pas de vérification. Durant l'année 1952, 44 irrégularités de rapportées. Je ne peux pas m'expliquer comment il se fait que durant ces années-là il n'y a pas eu d'irrégularité, quand, à un moment donné, il y en a 44 dans une année. A moins que... Selon votre expérience, est-ce que vous ne trouvez pas cela un peu curieux?

M. CÔTÉ: Je comprends que ce document-là est préparé "suivant" les faits.

M. PIGEON: Mais, à l'occasion de votre pratique pour le National-Canadien, est-ce que vous avez déjà fait des recommandations quelconques concernant la manière de surveiller ou de...

M. CÔTÉ: La façon "d'opérer" de notre service d'investigation est "d'opérer" sans instruction de personne et sans demande.

M. PIGEON: Je vous posais cette question en tant qu'avocat du National-Canadien. Je croyais, en regard des irrégularités et de la surveillance, que vous aviez à vous occuper de cette directive?

M. CÔTÉ: En tant que je suis concerné, le service légal n'a jamais été consulté quant à la façon de faire ces enquêtes.

M. PIGEON: Pour revenir aux questions que je posais concernant les irrégularités rapportées en 1952, au nombre de 44, et les autres, comme en 1951, où il n'y a pas eu de vérification, les autres années antécédentes, il n'y a pas eu d'irrégularités de rapportées. C'est là que je crois qu'il est très important pour les députés, lorsque M. Gordon comparait devant le comité des chemins de fer chaque année, que les députés posent des questions assez précises concernant l'administration des fonds publics. Parce que je trouve très curieux, ce rapport. C'est mon impression personnelle. Pas directement en ce qui concerne les péagers, mais à titre d'information seulement, est-il possible de savoir quelles sont les dettes actuelles du pont Victoria?

M. CÔTÉ: En tant que je sache, il n'y a pas d'émission d'obligations dans le public en ce qui concerne le pont Victoria.

* * *

(Page 874)

M. CÔTÉ: Bien, ça dépend de quelle façon on envisage le problème.

* * *

(Page 875)

M. PIGEON: Est-ce que l'ingénieur ici est au courant s'il y a des...? Comme ça d'après vous il n'y a aucune dette sur le pont Victoria.

APPENDIX "A"

CANADIAN NATIONAL RAILWAYS

Passenger Traffic Department

VICTORIA JUBILEE BRIDGE

GENERAL REGULATIONS
and
SCHEDULE OF TOLLS

Approved by Orders-in-Council
August 17, 1935 (P.C. 2539) and
February 19, 1952 (P.C. 994)

EFFECTIVE OCTOBER 1, 1954

Issued September 27, 1954, by Passenger Tariff Bureau,
Montreal, Que.

GENERAL REGULATIONS

Tolls:

1. The tolls outlined herein for vehicles include the free passage of the driver or person in charge. Each person carried on a vehicle, except the driver of such vehicle, must pay tolls in accordance with the Schedule of Tolls shown herein.

Free Traffic:

2. No charge will be made for children under five (5) years of age, nor for baby carriages, go-carts or baby sleighs.

Combination Rates—Trucks and/or Tractors and Trailers or Semi-Trailers:

3. When combination of rates for traffic vehicles, truck and/or tractor and trailer or semi-trailer is less than charged for same capacity of traffic vehicle alone, as shown in Schedule of Tolls, the rate for the latter will apply. For example: Charge for a 4-ton truck or tractor as shown in Section 5, page 5 herein, is 60 cents, and charge for trailer or semi-trailer of 1-ton capacity is 20 cents, making a total of 80 cents for total of 5-tons capacity, but as the charge for a 5-ton traffic vehicle is 90 cents, the latter charge will be collected.

Interchangeable Bridge Tickets:

4. (a) The following categories of tickets will be accepted for passage on both the Victoria Jubilee Bridge and the Jacques Cartier Bridge:—

10-trip passenger ticket (in strip).
10-trip automobile (passenger car) ticket.
50-trip automobile (passenger car) ticket.

- 50-trip Farmers' truck ticket (1-ton truck).
- 50-trip Farmers' truck ticket ($1\frac{1}{2}$ -ton truck).
- 50-trip Farmers' truck ticket (2-ton truck).
- 50-trip Farmers' truck ticket ($2\frac{1}{2}$ -ton truck).
- 50-trip Farmers' truck ticket (3-ton truck).
- 100-trip Autobus ticket—16 passengers or less.
- 100-trip Autobus ticket—21 passengers.
- 100-trip Autobus ticket—25 passengers.
- 100-trip Autobus ticket—29 passengers.
- 100-trip Autobus ticket—31 passengers.
- 100-trip Autobus ticket—33 passengers.
- 100-trip Autobus ticket—37 passengers.
- 100-trip Autobus ticket—41 passengers.
- 100-trip Autobus ticket—45 passengers.

Special round trip passenger automobile evening ride ticket.

- (b) Tickets valid for passage across the Victoria Jubilee Bridge on trains of the Canadian National Railways and the Montreal and Southern Counties Railway Company, will also be valid on the Roadway of the Bridge for passage of the individual in accordance with the conditions of such tickets.

TRAFFIC REGULATIONS

General Traffic:

1. (a) All vehicles shall be driven on the right side of the Roadway and must leave one-half of the Roadway for the traffic in the opposite direction.
- (b) Passengers on Bicycles, Tricycles or similar vehicles, as well as pedestrians using the Bridge, must use the sidewalk provided for pedestrians and will not be permitted to use the vehicular Roadway.

Prohibited Traffic:

2. (a) Steam rollers will not be allowed to cross the Bridge.
- (b) Any fire-containing vehicle will not be allowed to cross the Bridge unless the fire is extinguished.
- (c) The passage of vehicles containing dynamite or other high explosive is prohibited.
- (d) No power operated vehicles or trailers or semi-trailers attached thereto, shall use the Roadway unless equipped on all wheels with pneumatic tires.

Horse Drawn Vehicles:

3. Horse drawn vehicles equipped with solid rubber or steel tires, the load per inch width of iron on any wheel not to exceed 400 lbs., will be permitted to use the Roadway of the Bridge.

Weight Limit:

4. (a) The gross weight of trucks or tractors (weight of vehicle and contents) is restricted to 9 tons (18,000 lbs.), of which not more than 6 tons (12,000 lbs.), may be on any one axle.
- (b) The same restrictions, as outlined in paragraph (a) above, apply also to trailers and semi-trailers.
- (c) The gross weight of a combined truck or tractor and trailer or semi-trailer (weight of vehicles and contents) is restricted to $13\frac{1}{2}$ tons (27,000 lbs.).

Width Limit:

5. Vehicles, having a width in excess of 7 feet, 6 inches, or carrying loads exceeding that width, will only be permitted to cross the Bridge when traffic conditions will permit, and then only by special arrangement.

Speed Limit:

6. (a) No vehicle shall be driven over any portion of the Bridge Roadway at a greater speed than is safe and reasonable considering the width of such Roadway and the traffic and other conditions thereon, nor in any case at a greater speed than 20 miles per hour.
- (b) A speed restriction of 8 miles per hour must be observed approaching the Railroad Crossing at west end of the Bridge and within 300 feet of this Crossing, in either direction.

Passing Vehicles:

7. No vehicle shall overtake and pass another vehicle going in the same direction on the Roadway of the Bridge unless—

- (a) The way is clear and such passing movement is free from danger of accident.
- (b) Such passing movement can be made without exceeding the speed of 20 miles per hour.
- (c) When preparing to pass, the driver of a motor vehicle shall, before bearing to the left, give ample and timely warning by means of the sounding device.

Dimming Lights:

8. Motorists are requested to use dim lights on the Bridge.

SCHEDULE OF TOLLS

		TOLLS	
		●One Way	Round Trip
		\$ c.	\$ c.
(1) <i>Passengers:</i>			
(a) Passengers in or on any vehicle—not including the driver of such vehicle—or on Bicycle, Tandem Bicycle, Tricycle or similar vehicles (not Motor-cycles) ridden by one or more persons:—			
Single tickets (each) .....	.05	....
Ten tickets (in strip) .....	.25	....
(b) Passengers on horseback (each) .....	.15	....
NOTE:—Tickets are <i>Not Valid</i> on trains of the Canadian National Railways or Montreal and Southern Counties Railway Company.			
(2) <i>Live Stock:</i> —Single or in droves):			
Horses or Mules—per head .....	.15	....
Cattle—per head .....	.10	....
Sheep—per head .....	.03	....
Calves—per head .....	.03	....
Swine—per head .....	.03	....

●One way except where charge for 10-trip, 50-trip and 100-trip tickets is quoted.

		TOLLS	
		●One Way	Round Trip
		\$ c.	\$ c.
(3) <i>Vehicles drawn by Animals:</i>			
(a) Passenger-carrying vehicles (Tolls include passage of driver):			
Drawn by one (1) animal .....	.10		....
Drawn by two (2) animals .....	.20		....
Drawn by three (3) animals .....	.40		....
Drawn by four (4) animals .....	.55		....
(b) Traffic vehicles—Non passenger-carrying (Tolls include passage of driver):			
Drawn by one (1) animal .....	.10	*	.10
Drawn by two (2) animals .....	.20	*	.20
Drawn by three (3) animals .....	.45		....
Drawn by four (4) animals .....	.60		....
(c) Oil tanks drawn by two animals (Toll includes passage of driver)			
	.60		....
(d) Vehicles drawn by dog or goat (Toll includes passage of driver)			
	.15		....
(4) <i>Hand Vehicles:</i> (Used by Rag-picker, Scissors-grinder, etc.) including person in charge			
	.15		....
(5) <i>Motor-driven Vehicles:</i>			
(a) Motorcycles (Toll includes passage of driver) .....	.15		....
NOTE:—50-trip automobile (passenger car) tickets shown in (b) page 5 herein will also be accepted for the passage of motorcycle and driver.			
(b) Automobiles (Passenger cars, the standard seating capacity of which does not exceed seven (7) persons):			
Single tickets .....	.25		....
10-trip tickets, non-transferable, valid for one (1) month	1.50		....
50-trip tickets, non-transferable, valid for four (4) months	3.00		....
Note: The foregoing classes of tickets are good only for the passage of automobile and the person in charge. Other persons occupying automobile must pay separate tolls.			
(c) Traffic Vehicles (trucks and/or tractors) non passenger-carrying (Tolls include passage of driver):			
1 ton and under. Single tickets .....	.25		....
Over 1 ton—not over 2 tons. Single tickets ...	.40		....
Over 2 tons—not over 4 tons. Single tickets ...	.60		....
Over 4 tons—not over 5 tons. Single tickets ...	.90		....
Over 5 tons—not over 6 tons. Single tickets ...	1.00		....
Over 6 tons—not over 7 tons. Single tickets ...	1.20		....
Over 7 tons—not over 8 tons. Single tickets ...	1.50		....

*Limited to return on date of sale or the following day.

● One way except where charge for 10-trip, 50-trip and 100-trip tickets is quoted.

		TOLLS	
		● One Way	Round Trip
		\$ c.	\$ c.
(5) <i>Motor-Driven Vehicles</i> (Concluded)			
(d) Trailer or semi-trailer hauled by Traffic Vehicles (non-passenger-carrying):			
1 ton and under. Single tickets .....		.20	....
Over 1 ton—not over 2 tons. Single tickets ...		.30	....
Over 2 tons—not over 4 tons. Single tickets ...		.45	....
Over 4 tons—not over 5 tons. Single tickets ...		.70	....
(e) Trucks (loaded with farm products, manure, or artificial fertilizers (See <i>Note</i> hereunder):			
50-trip tickets, non-transferable, valid for six (6) months (Tolls include passage of driver):			
1-ton trucks		3.00	....
1½-ton trucks		5.00	....
2-ton trucks		7.50	....
2½-ton trucks		10.50	....
3-ton trucks		14.00	....
Trailer (loaded with farm products, manure, or artificial fertilizers). (See <i>Note</i> hereunder) ▲		.10	....
Trailer (light)		Free	....

Note: These forms of tickets and cash fares will be issued and accepted for passage only of 1, 1½, 2, 2½ and 3-ton trucks and trailers *which bear current license issued in conformity with the classification of "farm vehicle" in the Motor Vehicle Act of the Province of Quebec* when such vehicles are loaded with farm products, manure, or artificial fertilizers, upon presentation by the farmer of certificate signed by the Mayor or Secretary of the Municipality in which such farmer operates a farm.

The Ticket Agent will endorse on each such ticket sold the number of the certificate and number of the Provincial license of the vehicle. These forms of tickets will not be honored for passage of farmers' trucks or trailers when carrying goods other than farm products, manure or artificial fertilizers.

(f) Trucks converted or fitted temporarily or permanently for the transportation of more than seven (7) persons (Toll includes passage of driver)60
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▲ Coupon of 1-ton truck 50-trip tickets will be accepted in lieu of cash fare.

● One way except where charge for 10-trip, 50-trip and 100-trip tickets is quoted.

(6) *Autobuses*:—Operated for the transportation of passengers:

The following tolls will be collected in accordance with seating capacity of such vehicles, regardless of their occupancy at the time of entering or traversing the Bridge. Tickets will be sold in books of 100, at rates specified, and will be valid for crossing the Bridge in either direction:

<i>Maximum Seating Capacity of Autobus</i>	<i>Rate per 100 tickets</i>
16 passengers or less	\$ 80.00
21 passengers or less	90.00
25 passengers or less	95.00
29 passengers or less	100.00
31 passengers or less	102.00
33 passengers or less	105.00
37 passengers or less	110.00
41 passengers or less	115.00
45 passengers or less	120.00

100-trip tickets will be valid for one year.

(7) *Special Round Trip Automobile Evening Ride*

TOLLS
Round Trip
\$ c.

Round trip toll for passage of one standard passenger automobile, including driver and occupants40

Round trip toll applies for one passenger automobile, the standard seating capacity of which does not exceed seven (7) persons and the actual number of occupants does not exceed the standard seating capacity.

Tickets issued at this round trip toll will be valid as follows:

Going Trip—From 7.00 P.M. until midnight of date of issue.

Return Trip—Until 7.00 A.M. of day following date of issue.

APPENDIX "B"

INDEX 23

CANADIAN NATIONAL RAILWAYS
 Passenger Traffic Department
 SPECIAL LOCAL PASSENGER TARIFF
 E. 23-6
 (Cancels Tariff E. 23-5)

Agent will stamp

Date received here

VICTORIA BRIDGE TRAFFIC REGULATIONS AND TOLLS

TRAFFIC REGULATIONS

Traffic Allowed

1. Subject to the weight, height and other restrictions, hereinafter set out, the use of the bridge roadways is limited to:

- (a) Motor vehicles having not more than two (2) axles, nor more than six (6) tires.
- (b) Trailers or other vehicles in tow, having not more than two (2) axles and not more than four (4) tires.
- (c) Tractor-trailer combination units if the operator is in possession of a weight slip indicating gross vehicle weight not in excess of thirteen and one-half ($13\frac{1}{2}$) tons (27,000 lbs.) of which not more than nine (9) tons (18,000 lbs.) may be on one axle.

Traffic Prohibited

2. The use of a bridge roadway by any motor vehicle is prohibited if such vehicle, together with trailer or other vehicle in tow, if any:

- (a) is not equipped with pneumatic tires;
- (b) is carrying dynamite or other high explosives or any substance on fire;
- (c) has a gross weight (including load) in excess of thirteen and one-half ($13\frac{1}{2}$) tons (27,000 lbs.); the operator of any vehicle shall supply a weight certificate if requested to do so by a bridge attendant;
- (d) has a height (including load) in excess of twelve (12) feet;
- (e) has a width (including load) in excess of eight (8) feet.

Speed Limit

3. No motor vehicle shall be driven over a bridge roadway at a speed that is unsafe or unreasonable, nor shall such speed in any case exceed thirty (30) miles per hour.

Passage Restrictions

- 4. (a) No motor vehicle shall overtake or pass a moving autobus on a bridge roadway.
- (b) Autobuses or motor trucks equipped with more than four (4) tires shall under no condition attempt to pass an autobus or such a truck, whether in motion or stopped, on the bridge roadways at any time.
- (c) Motor vehicles other than autobuses, having more than four (4) tires are not permitted to use the traffic lanes (St. Lambert to Montreal) between 7.00 a.m. and 9.30 a.m. nor traffic lanes (Montreal to St. Lambert) between 4.00 p.m. and 6.30 p.m.

Stalled Vehicles

5. Any motor vehicle that becomes stalled on the bridge will be immediately towed to a convenient location beyond the exit of the bridge. Provided such towing service can be performed by a Company vehicle, a fee of two dollars (\$2.00) will be assessed. If towing service is performed by other than a Company vehicle, the actual expense as assessed by the party performing the towing service will be paid by the owner of the vehicle.

TOLLS

Motor Driven Vehicles

1. (a) Passenger-carrying vehicles: motorcycle, passenger automobile, taxicab or station wagon, each\$.25
- (b) Fifty (50) trips 4.00
2. Hearse or ambulance25
3. Commercial trucking vehicles or farm trucks:
 - (a) Two (2) axle vehicle with four(4) tires25
 - (b) Two (2) axle vehicle with six(6) tires, not over 10.00 inches in size50
 - (c) Two (2) axle vehicle with six (6) tires, over 10.00 inches in size 1.00
 - (d) Tractor-trailer combination with three (3) axles 1.50
4. Farm trucks:
 - (a) Two (2) axle vehicle with four (4) tires—fifty (50) trip tickets .. 4.00
 - (b) Two (2) axle vehicle with six (6) tires—fifty (50) trip tickets .. 7.50
 - (c) Fifty (50) trip tickets are valid for six (6) months from date of purchase. They are honoured only if the truck bears a current licence issued for a "Farm Vehicle" as defined in the Motor Vehicle Act of Quebec, and is travelling light or is carrying farm products, manure or artificial fertilizers.
5. Autobus 1.00

Owners of autobuses operating regular scheduled services between Montreal and South Shore municipalities via Victoria Bridge may be granted a reduced one-way rate upon application in writing to Canadian National Railways, which rate shall be double the amount of the single cash bus fare for an adult passenger between Montreal and the most distant point on the particular service concerned.

Vehicles in Tow

6. Drawn by motorcycle, automobile or truck:
 - (a) One (1) axle vehicle with two (2) tires25
 - (b) Two (2) axle vehicle with four (4) tires50

Interchange of Tickets

7. The Company may provide for the acceptance, in whole or in part, of fares purchased for use on the Jacques Cartier Bridge, upon such terms and conditions as are determined by the Company.

EFFECTIVE FEBRUARY 26, 1959

.....

J. T. WHITEFORD,
General Passenger Traffic Manager,
MONTREAL, QUE.
(331.12-350-JC)

Issued by:—
H. C. McLAREN,
Manager, Tariff and Ticket Bureau,
MONTREAL, QUE.

APPENDIX "C"

CANADIAN NATIONAL RAILWAYS

SENIORITY LIST OF EMPLOYEES—TOLL COLLECTION OPERATIONS—VICTORIA BRIDGE

Period January 1, 1955 to March 31, 1960

LEGEND

- A. Toll Collectors
B. Vehicle Examiners
C. Supervisors.

S.R.B.	Name	Date Entry into Railway Service	Date Hired on Victoria Bridge	Date Left Bridge	Reasons
A 133741	Redmond, J.	June 17, 1918	April 16, 1929	Still at Victoria Bridge.	
C 283690	Efford, G.W.	August 4, 1920	June 11, 1926	August 31, 1955.	Retired on pension.
A 025290	Warren, D.J.	August 17, 1925	August 17, 1925	Still at Victoria Bridge.	
B-A 173873	Reddy, J.J.	August 21, 1925	August 25, 1925	Still at Victoria Bridge.	
A 189580	Laprairie, J.B.L.	July 16, 1926	July 16, 1926	Still at Victoria Bridge.	
A 187914	Milloy, T.G.	March 23, 1927	March 23, 1927	Still at Victoria Bridge.	
A 231420	Denard, J.P.	May 1, 1928	May 1, 1928	Still at Victoria Bridge.	
A 238344	Paquette, J.P.	June 3, 1931	February 16, 1951	Still at Victoria Bridge.	
C 301003	Belanger, L.D.P.	February 1, 1938	July 21, 1955	Still at Victoria Bridge.	
A 301003	Braconnier, L.	February 1, 1938	August 1, 1955	Still at Victoria Bridge.	
B 301100	Groux, A.	February 1, 1938	July 23, 1955	Still at Victoria Bridge.	
A 301160	Lamontagne, J.D.A.	February 1, 1938	April 28, 1956	Still at Victoria Bridge.	Transferred back to Road Transport.
A 300348	Vedrine, C.	February 1, 1938	June 7, 1956	July 22, 1958.	Transferred back to Road Transport.
C-A 300348	Trudeau, J.A.	October 3, 1938	June 21, 1955	Still at Victoria Bridge.	
C-A 300310	Mr. I.	September 29, 1939	November 1, 1955	September 8, 1959.	Resigned while under investigation for mishandling Bridge Revenue.
A 303018	Bradbury, C.	October 2, 1939	June 9, 1956	January 6, 1959.	Transferred back to Road Transport.
A 309350	McRae, A.G.	August 16, 1941	May 19, 1947	Still at Victoria Bridge.	
B 338402	Dery, A.	October 10, 1941	April 16, 1956	Still at Victoria Bridge.	
A 354199	Gravel, J.G.	November 25, 1941	June 1, 1956	November 26, 1959.	Transferred to Stationery Stores.
B 348825	Beauregard, P.	December 1, 1941	November 3, 1958	February 2, 1959.	Transferred to Freight Department.
A 353735	Beauregard, J.W.	May 19, 1942	May 18, 1946	Still at Victoria Bridge.	
A 398043	Dreare, R.J.	May 14, 1943	February 13, 1945	October 7, 1959.	Resigned (Health).
A 144779	Vanlaven, G.F.	July 11, 1945	June 11, 1945	October 13, 1955.	Deceased.
A 442695	Burns, R.	May 30, 1946	June 28, 1950	Still at Victoria Bridge.	
A 434890	Foster, F.C.	August 14, 1946	October 21, 1952	Still at Victoria Bridge.	
A 441058	Orr, J.	April 22, 1947	May 16, 1955	November 10, 1955.	Resigned.
A 449907	Mr. 2.	December 12, 1947	May 7, 1951	February 17, 1960.	Discharged for knowingly disobeying instructions pertaining to Toll Collections.
C 310334	Christie, D.L.	July 31, 1950	August 6, 1959	Still at Victoria Bridge.	
A 468582	Noel, J.G.	August 10, 1950	June 14, 1954	Still at Victoria Bridge.	
A 176183	McQuillan, H.P.	April 12, 1951	April 12, 1951	Still at Victoria Bridge.	
A 442385	Murphy, T.P.	May 14, 1951	May 14, 1951	August 18, 1959.	Resigned while under investigation for being drunk on duty.
A 478864	Roy, R.L.	April 12, 1951	March 6, 1957	December 22, 1958.	Transferred to Chief of Transportation.
Mr. 3.	Mr. 3.	July 29, 1952	April 20, 1953	February 7, 1957.	Discharged for mishandling Bridge Revenue.
A 487705	Mr. 4.	October 21, 1952	October 21, 1952	August 21, 1959.	Resigned while under investigation for mishandling Bridge Revenue.
C-A 493207	Hillman, J.G.	November 2, 1952	August 8, 1955	Still at Victoria Bridge.	
A 395835	Lorrain, A.E.	November 5, 1952	December 10, 1959.	December 10, 1959.	Transferred back to Road Transport.
B 426021	Elieff, J.S.	January 25, 1957	April 15, 1959	July 29, 1959.	Transferred back to Road Transport.
B 486568	Beaucage, R.	May 6, 1957	June 22, 1957	September 25, 1957.	Transferred back to Road Transport.
B 723456	Thibault, J.T.	July 30, 1957	June 21, 1958	August 25, 1958.	Transferred back to Road Transport.
B 714043	DeDieu, E.A.	April 24, 1959	August 6, 1959	Still at Victoria Bridge.	

APPENDIX "D"

CANADIAN NATIONAL RAILWAYS
VICTORIA BRIDGESUMMARY OF CHECKS MADE BY INVESTIGATION DEPARTMENT
ON TOLL COLLECTORS FOR A PERIOD OF 25 YEARS,
FROM 1934 to 1959 INCLUSIVE

Year	Number of Toll Collectors Checked	Number of Checks	Irregularities Reported	Action Taken
1934	12	33	NIL	As a result of checks made in March, 9 Tollmen were cautioned; this consisted of form letter issued to Tollmen in April, advising what was expected of them in the handling of 50-ride books; no detached coupons were to be accepted and they were to ascertain whether book was within date. The Tollmen were also told that this feature would be again checked.
1935	6	8	NIL	
1936	9	16	NIL	
1937	3	4	NIL	
1938	17	43	17	
				As a result of further checks in October, 8 Tollmen were reprimanded and statements were taken account failure to abide by circular and warning letter issued in April.
1939	12	24	NIL	As a result of checks made in March, 8 Tollmen were cautioned and statements taken for violation of instructions re handling of tickets, accepting detached coupons in 11 instances, and failure to charge for one or more passengers in 2 instances.
1940	7	9	NIL	
1941	13	40	NIL	
1942	11	29	13	
1943	2	2	NIL	As a result of checks made in February and March, 18 irregularities were reported re Tollmen accepting detached coupons and not asking to see book. This resulted in instructions being issued to all Tollmen that further offences would result in disciplinary action. As a result of further checks in April, 16 irregularities were reported involving 9 Tollmen; 8 Tollmen received demerit marks for violation of instructions, i.e. for accepting detached coupons and failing to examine books for out-of-date feature. The other Tollman involved had been hospitalized meanwhile and was not expected to be released for some months.
1944	2	2	NIL	
1945	10	28	NIL	
1946	11	38	34	

CANADIAN NATIONAL RAILWAYS

VICTORIA BRIDGE

SUMMARY OF CHECKS MADE BY INVESTIGATION DEPARTMENT
ON TOLL COLLECTORS FOR A PERIOD OF 25 YEARS,
FROM 1934 to 1959 INCLUSIVE—Cont.

Year	Number of Toll Collectors Checked	Number of Checks	Irregularities Reported	Action Taken
1947	1	1	NIL	
1948	4	4	NIL	
1949	5	14	NIL	
1950	4	4	NIL	
1951	No checks made			
1952	18	86	44	As a result of checks made in September, 2 Tollmen were dismissed: 1 on account of 4 irregularities and failure to perform duties properly, resulting in loss of revenue; acceptance of expired tickets; failure to issue receipts for cash paid. The other on account of 7 irregularities and not protecting Company's revenue; accepting detached coupons, failing to charge for extra passengers, and not issuing receipts for cash paid. 33 other irregularities were reported involving 12 Tollmen, for failure to properly protect Company's revenue; accepting detached coupons; not collecting sufficient fares and failing to issue receipts for cash paid. These Tollmen were reprimanded and warned.
1953	18	42	24	As a result of checks made in March, 19 irregularities were reported, involving 6 Tollmen who received demerit marks for failure to properly protect Company's revenue, i.e., accepting detached coupons and not requesting to see book, and failing to charge for one or more passengers. 5 irregularities reported, involving 4 Tollmen who were cautioned for failure to properly carry out duties, i.e., accepting detached tickets and smoking while on duty.
1954	11	56	13	As a result of checks made in September, 1 Tollman was dismissed for 8 irregularities in handling cash fare tolls. The remaining 5 irregularities were the responsibility of 3 Tollmen and were of minor nature.

CANADIAN NATIONAL RAILWAYS

VICTORIA BRIDGE

SUMMARY OF CHECKS MADE BY INVESTIGATION DEPARTMENT
ON TOLL COLLECTORS FOR A PERIOD OF 25 YEARS,
FROM 1934 to 1959 INCLUSIVE—Conc.

Year	Number of Toll Collectors Checked	Number of Checks	Irregularities Reported	Action Taken
1955	No checks made			
1956	2	2	NIL	
1957	19	88	33	As a result of checks made in January, 1 Tollman was dismissed for failure to properly protect Company's revenue, which involved 8 irregularities, i.e., 6 instances where no receipts were issued and 2 instances where no charge was made for extra passengers. 25 additional irregularities reported: 16 instances involving 10 Tollmen for failing to issue receipts; 9 instances involving 5 Tollmen for not charging for extra passengers. These were not reported to Department of Road Transport at the time but were deferred for future attention and subsequently covered in 1958 checking.
1958	18	61	NIL	
1959	9	40	NIL	
	2	27	27	As a result of checks made in July, (which was the work of our Montreal District Staff and <i>not</i> the Special Service Branch), 2 Toll Supervisors resigned while under investigation for misappropriation of bridge revenue which involved 27 instances.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960



STANDING COMMITTEE

ON

**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Chairman: GORDON K. FRASER, ESQ.

PROCEEDINGS

No. 15

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

TUESDAY, MAY 10, 1960

WITNESSES:

Messrs. A. G. Murphy, Montreal, Que.; B. J. Roberts, Ottawa, Ont.; Alfred
Poole, Beaconsfield, Que.; and G. Beaudet, Port Manager, Montreal
Harbour.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: Gordon K. Fraser, Esq.

Vice-Chairman: W. Marvin Howe, Esq.
and Messrs.

Allmark,	Drysdale,	McPhillips,
Asselin,	Dumas,	Monteith (<i>Verdun</i>),
Badanai,	Fisher,	Pascoe,
Baldwin,	Garland,	Payne,
Bell (<i>Saint John-Albert</i>),	Grills,	Phillips,
Bourbonnais,	Herridge,	Pigeon,
Bourget,	Horner (<i>Acadia</i>),	Pratt,
Bourque,	Horner (<i>Jasper-Edson</i>),	Rapp,
Brassard (<i>Chicoutimi</i>),	Johnson,	Rogers,
Brassard (<i>Lapointe</i>),	Keays,	Rynard,
Browne (<i>Vancouver-</i>	Kennedy,	Smith (<i>Calgary South</i>),
<i>Kingsway</i>),	Lessard,	Smith (<i>Lincoln</i>),
Bruchési,	MacInnis,	Smith (<i>Simcoe North</i>),
Cadieu,	MacLean (<i>Winnipeg</i>	Thompson,
Campbell (<i>Stormont</i>),	<i>North Centre</i>),	Tucker,
Campeau,	Martin (<i>Essex East</i>),	Valade,
Chevrier,	Martini,	Wratten—60.
Chown,	Michaud,	
Creaghan,	McBain,	
Crouse,	McDonald (<i>Hamilton</i>	
Denis,	<i>South</i>),	
Deschatelets,	McGregor,	

Eric H. Jones,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, May 10, 1960.
(26)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Allmark, Badanai, Baldwin, Bell (*Saint John-Albert*), Bourbonnais, Browne (*Vancouver-Kingsway*), Crouse, Denis, Deschatelets, Drysdale, Fisher, Fraser, Howe, Johnson, Lessard, Martin (*Essex East*), Martini, McGregor, McPhillips, Monteith (*Verdun*), Pascoe, Pigeon, Rogers, Smith (*Calgary South*), Smith (*Simcoe North*), Tucker and Wratten—27.

In attendance: Messrs. A. G. Murphy, former Port Manager, Montreal Harbour; B. J. Roberts, former Chairman, National Harbours Board; Alfred Poole, former Supervisor of toll-collectors on Jacques Cartier Bridge; of the *National Harbours Board*; Maurice Archer, Chairman, G. Beaudet, Port Manager, Montreal Harbour, and J. F. Finlay, Legal Adviser; Walter Smith, of Ottawa, Executive Representative, Canadian National Railways; and Dr. P. M. Ollivier, Law Clerk of the House.

The Committee resumed its consideration of the toll-collection operations at the Jacques Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

The Chairman reported that he had just received from Mr. Walter Smith six documents regarding the revenue of the Victoria Bridge, which he thereupon tabled. Copies of the said documents were distributed to members present.

On motion of Mr. McPhillips, seconded by Mr. Drysdale,

Resolved,—That the documents regarding the revenue of the Victoria Bridge be printed as an appendix to the proceedings of the next meeting, on Thursday, May 12, 1960.

The Chairman read recommendations made by the Subcommittee on Agenda and Procedure at its meeting of May 9th, as follows:

(a) That the sequence of hearing witnesses on this day be first, Mr. Murphy; second, Mr. Roberts; and third, Mr. Poole.

The Committee agreed in the said recommendation.

(b) On division, that the names of the four discharged toll-collectors on the Victoria Bridge not be produced.

Following debate, it was moved by Mr. Denis, seconded by Mr. Martin (*Essex East*),

That the names of the four discharged toll-collectors on the Victoria Bridge be produced as were those of toll-collectors on the Jacques Cartier Bridge. The said motion was negatived; YEAS: 6; NAYS: 12.

(c) That the following be the witnesses for the meeting on Tuesday, May 17th, namely, Messrs. Howe, Michaud, Chevrier, Marler and Hees, insofar as they can be available.

The Committee agreed on the said recommendation and instructed the Clerk of the Committee to ascertain the availability of the said persons and to request their attendance on May 17th.

(d) That the following be the witnesses for the meeting on Thursday, May 19th, namely, Mr. R. K. Smith, if he can then be available, and one other of the proposed witnesses to be selected by the Chairman.

The Committee agreed in the said recommendation and instructed the Clerk to ascertain the availability of the said persons to arrange for their attendance.

The interpreter, Miss Paulette Cyr, continued to be under oath.

Mr. Murphy was called and sworn. He made a brief statement, was examined and was retired.

During Mr. Murphy's examination, Mr. Beaudet was recalled; being still under oath, he was briefly questioned and was again retired.

It was moved by Mr. Pigeon, seconded by Mr. Johnson,

That there be produced the names of the sweepers employed on the Jacques Cartier Bridge during the years 1952 to date.

Following debate, the said motion was negatived; YEAS: 7; NAYS: 8.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings.

At 12.12 o'clock p.m. the Committee adjourned until Orders of the Day are reached in the House on the afternoon of this day.

AFTERNOON MEETING

TUESDAY, May 10, 1960.
(27)

At 3.20 o'clock p.m. this day, the Standing Committee on Railways, Canals and Telegraph Lines resumed its consideration of the toll-collection operations at the Jacques Cartier Bridge, Montreal, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Allmark, Bourbonnais, Bourget, Bourque, Browne (*Vancouver-Kingsway*), Bruchési, Denis, Drysdale, Fisher, Fraser, Howe, Lessard, MacLean (*Winnipeg North Centre*), Martini, McBain, McPhillips, Monteith (*Verdun*), Pascoe, Payne, Phillips, Rapp, Smith (*Calgary South*), Smith (*Lincoln*), Tucker and Wratten—25.

In attendance: The same as at the morning sitting except Mr. Murphy.

The interpreter, Miss Paulette Cyr, continued to be under oath.

Mr. Roberts was called and sworn; he was examined and was retired.

During the examination of Mr. Roberts, Mr. Beaudet was again recalled; being still under oath, he was briefly questioned and was again retired.

Mr. Poole was called and sworn. The Chairman read a letter dated April 10, 1960, which he had received from Mr. Poole. Mr. Poole was examined and was retired.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings.

At 5.55 o'clock p.m. the Committee adjourned until 9.30 o'clock a.m. on Thursday, May 12, 1960.

Eric H. Jones,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

TUESDAY, May 10, 1960
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

Before we call witnesses this morning, I would like to say that I have here a letter from Mr. Côté, assistant general solicitor of the Canadian National Railways, in regard to the request that was made for the revenues of the Victoria bridge.

This letter is addressed to myself, as chairman. It reads as follows:

Montreal 1, May 9, 1960.

Gordon K. Fraser, Esq.,
Chairman,
Standing Committee on Railways, Canals,
and Telegraph Lines,
House of Commons,
Ottawa, Ont.

Dear Sir:

Re: Enquiry into toll collection
operations—Victoria bridge,
Montreal.

I am having delivered to you herewith sixty copies of each of the following documents dealing with the revenues and expenses pertaining to the operation of the bridge:

1. Income and expenditure statement, 1900-1959, inclusive.
2. Toll revenues, 1900-1959, inclusive.
3. Statement of roadway expenditures, 1900-1959, inclusive.
4. Income and expenditure statement, 1955-1959, inclusive.
5. Capital expenditure statement, 1859-1959, inclusive.
6. Graph of toll revenues, January, 1951-March, 1960, inclusive.

The documents have been attached together in sets to facilitate their distribution to the committee members at the committee hearings tomorrow, and I presume that they will be introduced as evidence when we appear again before the committee on Thursday, May 12.

Yours very truly,

(Sgd) Lionel Côté,
Assistant General Solicitor.

Enc.

I have these documents and, if it meets with your approval, we will have them printed as an appendix to today's proceedings.

Mr. DRYSDALE: Mr. Chairman, would it be possible to have them distributed first. From the brief statement you have given, it is difficult to ascertain if all the information is there. It might be more helpful—although I do not know what the other members think—to have them printed in next Thursday's proceedings, when it is the intention to call back Mr. Côté and Mr. Henderson. In that way, we will have all the evidence in at the one place.

The CHAIRMAN: If you would rather have it in Thursday's proceedings, that can be done. It might be a better place to have it because, as you say, it then would be all under the Victoria bridge item.

Mr. MARTIN (*Essex East*): Mr. Chairman, as a matter of procedure, I have one comment to make at this time.

It is now close to a quarter to ten, and we have had to wait here for some time before we obtained a quorum. This is not the first time that this has happened.

Those of us sitting in the Liberal opposition—

Mr. DRYSDALE: One member.

Mr. MARTIN (*Essex East*): —who are seeking to discharge our responsibility as best we can, with all these committees meeting at the same time the house is sitting, find it difficult to carry on.

As there is a large Conservative majority on this committee they should find it possible to have some of their members here at the starting time—and I would ask that you make that request of them. It is not fair to the rest of us, who are here on time, that we should be confronted with such non-attendance on the part of the members of the government.

You will say: there he is again, obstructing. But, that is not the point. Mr. Fisher mentioned in parliament that some of us were not looking after our responsibilities. I have four committee meetings today, as well as my work in the house; and in an effort to discharge my responsibilities, I feel other members ought to be here on time.

The CHAIRMAN: If you will remember, Mr. Martin, when a different government was in opposition, the same thing happened, and the Conservatives used to sit and wait for the government members to come down.

Mr. MARTIN (*Essex East*): I would remind you, Mr. Chairman, that our Liberal opposition, at the moment, is smaller than the Conservative opposition of that time.

An Hon. MEMBER: That is not our fault.

Mr. MARTIN (*Essex East*): But that is the picture at the present time.

Mr. PIGEON: The people decided on that.

Mr. MARTIN (*Essex East*): There again, the steam roller!

Mr. WRATTEN: We waited for three quarters of an hour last Thursday afternoon to commence, because of a lack of a quorum.

The CHAIRMAN: Gentlemen, we are not on disputes of this kind at the moment.

Mr. Drysdale, in regard to the documents on revenue that have been produced, is everything there that was requested?

Mr. DRYSDALE: Well, I did not ask for it, but I presume so.

The CHAIRMAN: But you were the one that brought it up, and I just wondered.

Would it be agreeable if these are reproduced in the printing of Thursday's proceedings?

Mr. McPHILLIPS: I so move.

Mr. DRYSDALE: I second the motion.

The CHAIRMAN: Are there any nays. If not, they will be printed as an appendix to Thursday's proceedings.

Gentlemen, owing to the fact that there is a parliamentary dinner here this evening, and the charstaff wish to set this room up for that dinner, we will be in room 112-N this afternoon, instead of this room. We made those arrangements this morning.

The subcommittee met yesterday at four o'clock, and agreed to recommend that the sequence of examining witnesses on Tuesday, May 10, would be as follows: Mr. Murphy, Mr. Roberts, and Mr. Poole. I hope you agree with that order of calling the witnesses.

Agreed.

On the question of production of the names of the four employees on the Jacques Cartier bridge who had been discharged, following debate, the subcommittee, on division, recommended that the said names not be produced.

Mr. DENIS: Mr. Chairman, I would like to make an observation at this time.

As you know, I attended the meeting of the steering committee. I voted against this decision on the ground that it is not fair that the names of the toll collectors on the Jacques Cartier bridge should be named, and the ones connected with the Victoria bridge should not. I do not think this is fair. First of all, this inquiry has been requested—as my good friend from Essex East has said—by the Conservative party, in order that the complete facts may be known. We want to know all the facts—the names of the toll collectors on the Victoria bridge, as well as those on the Jacques Cartier bridge. We cannot get exact facts on the Victoria bridge if, instead of names, we have numbers. We do not know anything about numbers. We cannot acquire information from anywhere, and we cannot get sources for that information.

As a matter of fact, this Mr. No. 1 might have a criminal record, or might be a communist—we do not know. And the same for No. 3.

There is the question of the Canadian National Railways authorities taking the proper precaution before hiring those toll collectors. Three of those four names might be Pigeon, Denis, and one also might be Fisher. Well, I suppose those names are just as important as the other ones. Although I agree with you that it might hurt—as some of the members of the committee said—those people who now have new jobs, we all know we did not give the same protection to the toll collectors of the Jacques Cartier bridge. I really think that if they are not good people, that it is the duty of the committee to name them, and to warn people hiring them that they had a record. If the Canadian National Railways did not have those records of the new employees perhaps the authorities did not give the records of those persons, and as well as blaming the Canadian National Railways authorities, we could blame the authorities of the Jacques Cartier bridge, in our report.

I say again, Mr. Chairman, that in all fairness the names of those connected with the Victoria bridge should be treated in the same way as those on the Jacques Cartier bridge.

If I may be permitted, Mr. Chairman, I move that the names of the toll collectors of the Victoria bridge be produced, as well as those of the Jacques Cartier bridge, in order that we may have a more complete inquiry, and in order to be fair to everyone. As we in this small group have always said, we have nothing to hide. I do not know why the majority of members of this committee, who have asked for this inquiry, should have something to hide. This is the first time in my life that I have heard persons referred to by numbers and not by their proper names.

The CHAIRMAN: Have you a seconder for that motion, Mr. Denis.

Mr. MARTIN (*Essex East*): I will second it.

The CHAIRMAN: As you know, it was brought out in subcommittee yesterday that one of these four men had twenty years service with the Canadian National Railways; one had 13 years; one had five years; and only one man has spent all that time on the Victoria bridge—and he has had seven years on the bridge. The others have had service with the C.N.R. before coming on the bridge.

Does anyone wish to speak to this motion?

Mr. DRYSDALE: Mr. Chairman, I would like to speak to it briefly and, perhaps, just to correct a misapprehension.

I think the motive in the steering committee, under these particular circumstances, was not as Mr. Denis alleged. There was no desire on the part of the committee to hide the names of the toll collectors, but my own feeling—and I am speaking for myself; I do not know whether it is shared by the other members—is that I thought we possibly made a mistake in producing the names of the toll collectors on the Jacques Cartier bridge. I think, perhaps, in defence of the committee, that was done because there were so many documents put in at the beginning, before we had had a proper time to consider as to what documents were being submitted.

My contention was because we possibly may have erred on producing the names of the toll collectors on the Jacques Cartier bridge, I do not take that as a precedent for repeating the mistake in the case of the Victoria bridge.

I think the reason that we, as a steering committee, recommended that the names be not produced is because that it was not made evident to us that there was any particular need for these names, or that it was relevant to the discussion. However, if, as Mr. Denis contends, that he feels there is some relevance I, for one, feel that I should support his motion; but I do so in the sense that I am going by his statement and on his responsibility that there is some justification for producing the names, and so as not to hide anything. However, I feel that if it is just a matter of curiosity, the committee is doing a disservice, as far as the toll collectors are concerned.

Mr. WRATTEN: As you know, Mr. Chairman, I was substituted for someone else yesterday on the steering committee, and I would like to say this.

These men have put in a lot of service on the C.N.R. Some of this service was put in years ago. Although they may be suspected for some infractions, they probably have obtained jobs in other places. It would not be my wish to jeopardize them in their new jobs. I think they deserve a break at this time.

In so far as having anything to hide, that is a stupid statement. We have nothing to hide. We did not appoint them. However, if they are working, and have a chance to make good, I think we should let them alone.

The CHAIRMAN: Does anyone else wish to speak? If not, I will put the question. All those in favour of Mr. Denis' motion—that the names be produced? Would you kindly signify.

The CLERK OF THE COMMITTEE: Six.

The CHAIRMAN: All those opposed?

The CLERK OF THE COMMITTEE: Twelve.

The CHAIRMAN: I declare the motion defeated.

The subcommittee agreed to recommend that the following be the witnesses for the meeting, on Tuesday, May 17; Messrs. Howe, Michaud, Chevrier, Marler and Hees, in so far as they can be available.

Are all agreed?

Mr. MARTIN (*Essex East*): Are you calling them all on the one day?

The CHAIRMAN: On the one day.

Mr. MARTIN (*Essex East*): Is it possible for all these people to give evidence at the same time?

The CHAIRMAN: In so far as they can be available. There are some who might not be able to come on that day.

Mr. JOHNSON: Perhaps we could have Mr. Martin pinch-hit for Mr. Chevrer, if he cannot speak all day long.

Mr. MARTIN (*Essex East*): When all these witnesses come we will have had a galaxy, for which there are not very many precedences.

The CHAIRMAN: Are you agreeable to this, gentlemen? Are there any opposed? Then, we will ask the Clerk of the Committee to get in touch with these former ministers, and also Mr. Hees.

The subcommittee agreed to recommend that the following be the witnesses for the meeting on Thursday, May 19, namely Mr. R. K. Smith, if he can be available, and also one other name on our list of proposed witnesses. Is that agreed? Are there any opposed?

Agreed.

The CHAIRMAN: Thank you, gentlemen.

Our first witness this morning is Mr. A. G. Murphy, former Port Manager, Montreal Harbour.

Mr. Murphy is now chief engineer on the St. Lawrence Seaway Authority.

Mr. Murphy, I am going to ask the Clerk to swear you. You do not mind?

Mr. A. G. MURPHY (*former Port Manager, Montreal Harbour*): No.

A. G. MURPHY, sworn.

The CHAIRMAN: Mr. Fisher is first. He is the one who wanted Mr. Murphy here.

Mr. FISHER: When did you take over the job of port manager and when did you leave the job?

Mr. MURPHY: I commenced on April 1, 1947, and completed work on July 31, 1954.

Mr. FISHER: Were you an employee of the port authority of the national harbours board before you took over the position?

Mr. MURPHY: Yes, from the time of its inception.

Mr. FISHER: You were with the port authority from the time of its inception.

Mr. MURPHY: Yes.

Mr. FISHER: So that your familiarity, to a degree, with the Jacques Cartier bridge dates all the way from its initiation?

Mr. MURPHY: I would say not. My duties with the harbours board prior to taking over the administration of Montreal harbour did not include anything to do with the Jacques Cartier bridge, except in an engineering way for maintenance purposes.

Mr. FISHER: Do I understand that you are an engineer?

Mr. MURPHY: Yes.

Mr. FISHER: Have you had the opportunity of reading the proceedings of this committee?

Mr. MURPHY: I have read some of them.

Mr. FISHER: Did you by any chance come here with a prepared statement of any kind to cover your work with the port authority?

Mr. MURPHY: I have a brief statement relating to the administrative establishment of the harbour during the period I was there.

Mr. FISHER: Could you put that on the record now, and then we can go on with the questioning. I think it might be helpful.

Mr. MURPHY: In a complex establishment such as the Montreal harbour it was necessary to delegate administrative authority to senior officials. During the period I was port manager, general administrative control of toll collections and the enforcement of the regulations pertaining thereto was the responsibility of the late P. G. Brown, port secretary, until 1952 when he became ill, and E. Beaudet, assistant port manager. The supervisor of toll collectors at the time, A. Poole, addressed his reports and inquiries to the port manager for direction; but under the established procedure the reports were first referred to the port secretary or alternatively the assistant port manager for review and recommendation. The supervisor of toll collectors customarily discussed his problems either with the port secretary or the assistant port manager, but occasionally with myself.

Mr. Chairman, without any suggestion that I am trying to evade responsibility, may I state that it will be appreciated I have not been actively concerned with the Jacques Cartier bridge for almost six years and naturally, therefore, my memory of details is limited. I do think, however, for the most part these details are a matter of record.

The CHAIRMAN: Is that the end of your statement?

Mr. MURPHY: Yes.

Mr. FISHER: Mr. Murphy, at any time when you did have the responsibility for the bridge as port manager—and yours was the ultimate responsibility—did you take the question of the administration of the bridge itself to your superiors on the national harbours board or ask that it be taken beyond them to the minister in connection with any doubt you may have had about the soundness of the administrative machinery of the bridge?

Mr. MURPHY: There were discussions on occasions with the members of the harbours board. Naturally, whenever there was a matter of disciplining an employee the matter was referred to the harbours board, particularly if it came to a question of dismissal, because necessarily they should approve it. There was no occasion I can recall where there was any suggestion that it be taken to a higher level than the board itself.

Mr. FISHER: There is one point I would like to make. When you took over the responsibility of the harbour, and therefore the ultimate responsibility within the framework of the Jacques Cartier bridge, did you take a close look at the administrative system of the bridge, to see it was satisfactory on all counts?

Mr. MURPHY: Naturally it was a matter of concern. Any other features of the harbour operations and procedures were discussed with Mr. Brown and Mr. Beaudet.

Mr. FISHER: At any time when you had the authority did you ever make any recommendation to your superiors about changing the system on the Jacques Cartier bridge?

Mr. MURPHY: I do not recall making any.

Mr. FISHER: You do not recall making any suggestions. At any time was there any discussion within your office or among those below you in the structure of the Montreal authority which raised doubts about the efficiency of the administration of the bridge.

Mr. MURPHY: As a result of the daily checks which were made of each toll collector—each shift—and of the returns as compared with ticket sales, on occasion it developed that employees were not following the regulations. We did attempt to stiffen up that feature and disciplinary action was taken from time to time. There were investigations as to toll collecting systems then available, other than the type we were then using. These were discussed. There were discussions relating to means of checking the toll collectors from

time to time. There were established systems of surprise checks where toll collectors were taken off the stand and their cash checked against ticket sales as of that moment.

I am not sure whether or not that answers the question.

Mr. FISHER: That is fine. Did any of these checks turn up anything which in your mind required a substantial alteration in the bridge, or was there ever a question, or debate, in your mind about making substantial alterations in the bridge administration as a result of these checks?

Mr. MURPHY: It was always the desire to strengthen the situation, but at the time we could not decide on any procedure which was any better than what we had, as I recall it.

Mr. FISHER: You could not decide on a better system, but you did consider the possibility of a better system. Let us put it this way. You searched for a better system.

Mr. MURPHY: That is right.

Mr. FISHER: Did you ever receive any instructions from the national harbours board or from the chain of command, down, from the Minister of Transport, to go closely into the question of the bridge administration.

Mr. MURPHY: I recall we had a request from the national harbours board to investigate a certain type of mechanical toll collection system.

Mr. FISHER: Do you by any chance remember the date of that?

Mr. MURPHY: No. I think it was about 1951 or 1952.

Mr. FISHER: And that came down from the national harbours board?

Mr. MURPHY: Yes.

Mr. FISHER: You do not have enough familiarity with it now to say who initiated the request and what were the consequences from the request?

Mr. MURPHY: No. I have no idea who initiated it.

Mr. FISHER: What were the consequences of the request? What was the reaction of the administration to the request?

Mr. MURPHY: It was a reasonable one.

Mr. FISHER: What did you do?

Mr. MURPHY: We did investigate this particular type of recording system, It was more or less, as I recall it, a glorified cash register.

Mr. FISHER: Where did you go to check it?

Mr. MURPHY: I turned that over to the assistant port manager. He made the investigation.

Mr. FISHER: Did he go to the United States?

Mr. MURPHY: I do not know. I do not think so. I think that was in Canada.

Mr. FISHER: At the time when you were the port manager did you ever notice that there was any inordinate number of requests for employment on the Jacques Cartier bridge? I use the word "inordinate" in relation to the jobs in the harbour.

Mr. MURPHY: Not particularly, no.

Mr. FISHER: We have gathered it was the practice, at least under Mr. Beaudet's administration, to keep a file of requests from political figures, for employment. Did you do the same thing?

Mr. MURPHY: I do not recall ever having had a personal file. There were requests that consideration be given to individuals.

Mr. FISHER: What was your policy at the time? I know what Mr. Beaudet's policy was. What was your policy at the time in relation to these requests?

Mr. MURPHY: We gave due consideration to these requests, but all appointments were made on the basis of qualification, regardless of requests.

Mr. FISHER: Regardless of the request, qualification was the primary thing. You never noted in your time that there was anything unusual in the number of requests to have the jobs?

Mr. MURPHY: No.

Mr. FISHER: At no time when you were in charge of the administration were your suspicions aroused by the administration of the bridge?

Mr. MURPHY: No.

Mr. FISHER: You never had any grave doubts about the administration of the bridge in terms of efficiency and honesty?

Mr. MURPHY: That is rather difficult to answer. There is the question of degree.

Mr. FISHER: If I might just interrupt, it seems to me what we are trying to do here is attempt to get some appreciation of the overall administration of the bridge in order to try to find out what was in the minds of the officials, in terms of chains of command, and appreciation by the persons in charge.

Mr. MURPHY: I do not think it was so much a question of suspicion as a matter of concern that we would develop the most efficient system. There were obvious infractions of our regulations from time to time that were determined, principally on the basis of these daily checks, on occasion, against sales. As I mentioned, disciplinary action was taken in that case.

Mr. FISHER: In relation to calling the investigators from outside, particularly the Canadian National investigators, at any time did you ever initiate those investigations yourself in person?

Mr. MURPHY: I do not recall ever having initiated one.

Mr. FISHER: At any time did you ever have contact with the supervisor of toll collectors asking for and insisting upon certain check measures of an unusual kind?

Mr. MURPHY: No. As I indicated, administratively I acted through either the port secretary or the assistant port manager in those matters.

Mr. FISHER: I do not think you want to give the impression that you did not look closely at the bridge at various times. I am sure you did. However, would it be fair to sum up what you have told us in this way. You never found the Jacques Cartier bridge an intense preoccupation in so far as the overall job of being manager of the harbour was concerned.

Mr. MURPHY: No. There were many other divisions of administration.

Mr. FISHER: As the administrator in charge of a number of revenue sources, what was your system of checking all these sources to make sure they were inviolate in terms of any possibility of loss.

Mr. MURPHY: Do you mean other than the toll collectors?

Mr. FISHER: As administrator you are in charge of a very large organization in which there are some revenue sources. You are a manager and you probably tend to be much more involved in the building and construction of things, such as wharves and elevators; but those are not revenue sources, and the port is a revenue operation.

Mr. MURPHY: There was a fairly close eye kept on those matters by the Auditor General's department, which had a man permanently in Montreal. One of the large revenue producers on a cash basis was the wharfage branch; a lot of money went over the cashier's desk there. There were checks made against his day to day operations on cash. For the most part, other than that, there was little cash directly handled by employees in any of the branches.

The accounting was done by a treasury officer who issued, for the most part, the bills, accounts, and cheques which were received by him. He maintained these accounts. We were dependent to a large extent on the treasury officer for control of those financial matters.

Mr. FISHER: This answers the question very well in terms of the revenue after it was received; but my question was more specifically related to revenue at the point where it comes in where, of course, the danger of subversion of revenue is most apparent. Do you remember whether or not on any occasion that you or any of the officials close to you made specific or special efforts to make sure, as the revenue came in at the source on the Jacques Cartier bridge, to develop a policy which would guarantee there was no possibility of any of that going to one side.

Mr. MURPHY: Only in so far as these checks were made which I mentioned.

Mr. FISHER: These were routine checks, and there was never anything out of order that happened that led you to become greatly suspicious about the Jacques Cartier bridge operation?

Mr. MURPHY: No, except in a few instances.

Mr. FISHER: You would interpret these as occasional instances.

Mr. MURPHY: Yes. If a toll collector could not give a satisfactory explanation of an exceptional overage or exceptional shortage, then we took disciplinary action as a rule.

Mr. FISHER: What was your interest in terms of the Victoria bridge?

Mr. MURPHY: We had no direct interest in the Victoria bridge.

Mr. FISHER: But there is a relationship in what they did and what you did.

Mr. MURPHY: Prior to the time I took over the administration there had been an arrangement whereby there was an exchange of tickets on the two bridges. Common tickets were used and tickets from either bridge were accepted by the other. I think an accounting on that was made monthly.

Mr. FISHER: In relation to the position of the Jacques Cartier bridge, as it developed from its inception, it was not in a sound financial position.

Mr. MURPHY: No, definitely.

Mr. FISHER: Was this continually a matter of concern to your superiors and to you?

Mr. MURPHY: It naturally was; yes.

Mr. FISHER: In this situation where the province of Quebec and the city of Montreal were required to make certain contributions in view of losses, do you remember the developments of the instances whereby both these authorities stopped paying their contributions?

Mr. MURPHY: Yes. As I recall it the city of Montreal was the first one which refused to pay the losses which had developed. I have forgotten what it was, but I believe it was on the basis of some technicality in the wording of the agreement that they took the stand that they were not obligated to pay this loss. Therefore, they stopped. The harbours board took legal action against the city of Montreal to recover the amounts which had not been paid and to force continuation of payments. At that time the province decided it would not continue payments. I do not know the reason, but presumably it was pending the outcome of the city of Montreal case. They never did continue, even though the harbours board was successful in its case against the city.

Mr. FISHER: Were you involved at all as the port manager in these developments?

Mr. MURPHY: Not specifically.

Mr. FISHER: Were you ever personally involved in hiring anyone for the bridge? Did you actually interview and hire any people for the bridge?

Mr. MURPHY: I never interviewed any of the applicants.

Mr. FISHER: You never issued specific instructions with regard to hiring any certain person?

Mr. MURPHY: No. I did approve a recommendation.

Mr. FISHER: But not personally?

Mr. MURPHY: No.

Mr. FISHER: In so far as the question of changing the toll set-up, in terms of the tariff, is concerned, did you consider changing that tariff during the period of your administration?

Mr. MURPHY: No, there was no serious consideration given to a change, but we did feel, I recall very well, it was a very clumsy tariff and that it would be advantageous to simplify it, possibly, in keeping a closer control. But I took no active action in proposing any change.

Mr. FISHER: Why?

Mr. MURPHY: At this stage I can only, perhaps, think along the ways I might have been thinking at that time; it is difficult; I cannot recall now. But there was this feature, in making a change in the tariff, to simplify it, there is going to be, as a result, either an increase or a decrease in revenues, or an increase or decrease in some features of the tariff. During the early years I was in Montreal we were running at a loss each year.

Mr. FISHER: Yes.

Mr. MURPHY: The feeling is certain that any decrease in revenues would not have been looked upon favourably by any of the three parties in the agreement. On the other hand, to increase tolls in the face of the general public's opposition to toll bridges anyway, does seem to be an impracticable problem to solve. So that at the time, with the revenues low, and, you might say, just beginning to emerge from the red, it did not seem practicable to make or to suggest a change?

Mr. FISHER: I have two last areas of questioning. One is, we have heard about the difficulties of collecting tolls, especially for the toll collectors collecting from passengers in automobiles in the winter time. Is this ever an issue you remember during your administration?

Mr. MURPHY: No, I do not.

Mr. FISHER: You never remember that being put forward as a reason for any of the difficulties?

Mr. MURPHY: Not until an inspection was made by the Canadian National Railways investigation bureau, which highlighted that feature.

Mr. FISHER: Do you remember the year of that one?

Mr. MURPHY: I do not remember it, except I have since recalled it was, I believe, 1952.

Mr. FISHER: Do you remember that shortly after you moved—and this might be worthwhile—you moved to the St. Lawrence Seaway Authority, did you not?

Mr. MURPHY: Yes.

Mr. FISHER: There was a general meeting of a number of authorities—including the city, the railways, the seaway authorities—to make up their minds what they were going to do in Montreal harbour in so far as bridges, and that, were concerned. Do you know the meeting about which I am talking?

Mr. MURPHY: I do not recall the specific meeting, sir.

Mr. FISHER: It took place shortly after you left, and made certain recommendations in so far as the future of the bridges on the south shore

were concerned. Do you remember that? The preparations for this building and the bridge set-up along the south shore were probably developing in the harbour authority at the time you were the port manager. I wonder if possibly you would recount those developments?

Mr. MURPHY: I am afraid I cannot.

Mr. FISHER: You cannot remember that before you left the port authority consideration was being given, for example, to the question of what was going to be done on the Victoria bridge, the widening of the Jacques Cartier bridge, and the question of a bridge on Nuns island?

Mr. MURPHY: I remember the question of widening the Jacques Cartier bridge. I do not believe I ever sat in on that general meeting dealing with the bridge situation between Montreal Island and the south shore. I certainly do not recall ever having sat in on that type of a meeting. This question of roadway facilities between the island and the south shore has always been one of public concern.

Mr. FISHER: Was that public concern ever put to you by the National Harbours Board, or by the Minister of Transport?

Mr. MURPHY: Only in so far as we should enlarge the Jacques Cartier bridge itself, or increase its capacity.

Mr. FISHER: For a number of years, during the time you were in charge of the port authority, there were debates going on in the House of Commons, initiated by private members in Montreal, which would end the system of tolls on the Jacques Cartier bridge, and many other recommendations in connection with these bridges.

Did you ever hear about any of these debates, or were you ever consulted by the National Harbours Board or Minister of Transport in connection with it?

Mr. MURPHY: No, not that I recall.

Mr. FISHER: In other words, what went on in the political sphere was quite removed from your concern?

Mr. MURPHY: Yes, that is so.

Mr. FISHER: That is all the questions I have.

The CHAIRMAN: Mr. Pigeon, then Mr. Drysdale and then Mr. Baldwin.

Mr. PIGEON (*Interpretation*): I only have a few questions to ask you.

On the recommendation of what person were you appointed port manager of Montreal?

Mr. MURPHY: No specific person. I was appointed by the board, by the harbours board.

Mr. PIGEON (*Interpretation*): You had no previous interview with the then Minister of Transport?

Mr. MURPHY: No.

Mr. PIGEON (*Interpretation*): During your term of office did you make any recommendation or suggestions to the minister for improvements to the toll collection operation?

Mr. MURPHY: No.

Mr. PIGEON: That is all.

The CHAIRMAN: Mr. Drysdale?

Mr. DRYSDALE: Mr. Murphy, you came to the National Harbours Board on April 1, 1947. I was not too clear, from the information you gave to Mr. Fisher, in connection with your responsibility as far as the Jacques Cartier bridge was concerned, what you thought your responsibility was. I wonder if you could give me what you felt your responsibility was in connection with the Jacques Cartier bridge, as port manager?

Mr. MURPHY: I was naturally responsible to the harbours board for the proper administration of the bridge and the safeguarding of revenues. That is basically the feature—the control of traffic using the bridge.

Mr. DRYSDALE: Were you aware when you came in as port manager—did you make any inquiry, or were you aware as to the previous investigations of toll collectors?

Mr. MURPHY: I do not recall definitely having been aware of that, from the start.

Mr. DRYSDALE: When did you become aware of it?

Mr. MURPHY: I think it was about the time the investigation was made, in 1952.

Mr. DRYSDALE: Who authorized that investigation?

Mr. MURPHY: I would authorize it, but the arrangements were made by Brown, who was the port secretary and who had the administrative control of the bridge.

Mr. DRYSDALE: The report, but you had the final administrative say, as far as the bridge was concerned?

Mr. MURPHY: Yes.

Mr. DRYSDALE: When the report was made back to you, what was your reaction at that particular time?

Mr. MURPHY: Well, it is hard to recall exactly, but having just recently reviewed the report of proceedings, it undoubtedly was a matter of concern to see that there were so many infractions of some of these regulations. But, as I recall it, it was considered impracticable to attempt to convict an employee of breach of regulations some time subsequent to the event, unless direct evidence of wrongful acts, by way of witnesses, could be produced.

My impression is that the C.N.R. report of that time did not constitute the type of evidence which would stand up to the type of procedure in the collective bargaining agreements covering toll collectors.

Mr. DRYSDALE: This concerns the September, 1952 investigations, and appears at page 93 of the report, paragraph 2.

It says:

In reporting to the board on this investigation, the port manager stated that he would prefer to obtain additional evidence in respect of the toll collectors concerned, and also broaden the investigation to cover other toll collectors.

Did you do anything about this suggestion to the board?

Mr. MURPHY: Yes, we did.

Mr. DRYSDALE: What did you do?

Mr. MURPHY: There were additional checks made, which we developed.

Mr. DRYSDALE: By whom?

Mr. MURPHY: They were developed, principally by Mr. Brown and Mr. Beaudet, in consultation with myself.

Mr. DRYSDALE: Let us follow this up. You stated you would prefer to obtain additional evidence in respect of the toll collectors concerned, and also broaden the investigation to cover other toll collectors.

What specific steps did you take to broaden the investigation covering other toll collectors? This was your recommendation to the harbours board.

Mr. MURPHY: We made these additional checks in the field, the surprise checks, as I mentioned earlier, to check the cash position against ticket sales, at times when it would not be expected. We did initiate the checking of cars

by stopping them, to determine whether or not they had proper receipts; and, of course, we continued the daily checks, on a cash versus ticket sales basis, which had always been in effect.

Mr. DRYSDALE: In view of the fact the investigation was made by the C.N.R., and the pattern had been that investigations had been made at very irregular intervals by the C.N.R.; in view of the fact that all the surveys made has disclosed irregularities—and that the last survey made was in February–March, 1946, just before you came into the port—and some six years later a survey was made by the C.N.R. investigators which disclosed further irregularities—you said, in your opinion, looking at the information, there was not sufficient evidence, as you suggested, to bring action against them, but you suggested further investigations. Why was not the investigation followed up by the C.N.R., or some other competent investigating authority?

Mr. MURPHY: I cannot answer that.

Mr. DRYSDALE: You have the administrative responsibility?

Mr. MURPHY: Yes, that is right.

Mr. DRYSDALE: These irregularities—and I am sure you had the records before you, to look at, showing there had been irregularities over the years, and there had been no check for six years, and this first check disclosed a large number of irregularities—you felt no responsibility or concern, as far as the revenues were concerned on the Jacques Cartier bridge?

Mr. MURPHY: I would not admit that.

Mr. DRYSDALE: Would you explain then what the situation is, if that conclusion is not correct?

Mr. MURPHY: I said we did make additional checks, of the nature and type I have mentioned. I cannot explain why we did not have the C.N.R. immediately make another check.

Mr. DRYSDALE: I realize there is a fair amount of time elapsed, and I am trying to be fair; but immediately following the investigations you recommend to the board you would prefer to obtain additional evidence in respect of the toll collectors concerned, and also broaden the investigation to cover other toll collectors.

That is your recommendation, and I am trying to ascertain what steps were taken in that connection, in view of the fact there had been proven irregularities? What steps did you take?

Mr. MURPHY: As I recall, the only ones I took were those I have mentioned.

The CHAIRMAN: Would you kindly speak louder, Mr. Murphy. The press are finding it extremely hard to hear you—and they do want to hear you.

Mr. DRYSDALE: You did not feel any responsibility to check into the matter further, or to make any recommendations?

Mr. MURPHY: I cannot admit that for a moment.

Mr. DRYSDALE: You say you did not do anything, and yet, on the other hand, you do not admit responsibility.

Mr. MURPHY: I do not think I said I did not do anything, but I said we did initiate these additional means of checking toll collectors.

Mr. DRYSDALE: What further evidence did you obtain, and what steps did you take with regard to toll collectors?

Mr. MURPHY: I cannot recall, as I say, at the moment, details or those results. I think the records will show we did find certain toll collectors at fault in not complying with regulations that disciplinary action was taken

by way of suspensions and, in some cases, accompanied by a change from day to night shifts, which they disliked, as I remember; in other cases, by discharge from service.

Mr. DRYSDALE: But you never considered it was your administrative responsibility to make any further investigation, as you had recommended to the National Harbours Board?

Mr. MURPHY: I cannot agree with that interpretation. That is not so.

Mr. DRYSDALE: Well, do you disagree then with the statement that was made, as being attributed to you, in essence—and I admit it is a summary—?

Mr. MURPHY: If it is a matter of record naturally.

Mr. DRYSDALE: But it states that you, in a sense, had accepted responsibility, and you said you would make further investigations ?

Mr. MURPHY: That is right.

Mr. DRYSDALE: From the context it would appear logical the investigations should be made by the C.N.R. or the R.C.M.P., or some other investigating organization. But you say, in effect, "We did not do it. I do not know why we did not do it; we did not bother to carry on. But I do not feel any responsibility for the fact it was not done."

Mr. MURPHY: I am afraid you are putting words in my mouth which I am not prepared to admit.

Mr. DRYSDALE: I would like to have your statement. I am expressing what you said, in summation, appears to me. If I am incorrect, would you please point out where I am incorrect?

Mr. MURPHY: In the light of circumstances at that time—

Mr. DRYSDALE: What circumstances? I am sorry to interrupt you.

Mr. MURPHY: The basis of this report from the C.N.R., 1952, which I think was the one to which you have been making a reference.

The CHAIRMAN: That is on page what?

Mr. DRYSDALE: On page 93. It discloses these numerous irregularities?

Mr. MURPHY: Yes. We took what action—what at the time—seemed to be a practicable procedure. That is as much as I can say, I think.

Mr. DRYSDALE: Then why did you make that recommendation to the board, which seemed to indicate you were taking further steps, and yet you did not do anything about it?

Mr. MURPHY: I am not sure it was a recommendation, but a suggestion as to the procedure we proposed following. I think it was based largely on the fact, as I mentioned, we felt the evidence provided by the C.N.R. report was not fully conclusive and was not of a nature that could be used in disciplining employees.

Mr. DRYSDALE: Mr. Murphy, I think as you have indicated, you have read some of the testimony that has been given before us?

Mr. MURPHY: Yes.

Mr. DRYSDALE: Mr. Beaudet—I would just like to put on record—stated, at page 119:

At the harbour level the port manager is responsible for the management, administration and operation of Montreal harbour and Jacques Cartier bridge.

Then, at page 121, Mr. Beaudet mentioned that he had heard rumours and jokes as to the inefficiency of collection and the fact that toll collectors were not efficient.

Mr. Fisher said, in his question:

This is before you became port manager?

Mr. BEAUDET: That is correct.

Mr. FISHER: You became port manager, and when did this become a matter of concern to you?

Mr. BEAUDET: When I became port manager, because I was responsible for the administration of that bridge.

As I would interpret his statements, Mr. Beaudet seemed to feel a certain responsibility, which it would appear that he could not have, as your assistant, and it almost suggests you did not have either, under those particular circumstances?

Mr. MURPHY: I am not prepared to admit that.

Mr. DRYSDALE: In essence, during the whole time, from 1947 to 1954, one examination was made by the C.N.R. officials, numerous irregularities were found, but no further investigation was suggested by you, as port manager?

Mr. MURPHY: That is not correct. As I said before, we did carry out further examinations.

Mr. DRYSDALE: No further investigations by the C.N.R. or the R.C.M.P. or any other independent investigation authority was suggested by you?

Mr. MURPHY: That is correct.

The CHAIRMAN: Could I have the statement you read earlier?

Mr. MURPHY: It is not in the order shown there.

The CHAIRMAN: Thank you very much.

Mr. Baldwin?

Mr. BALDWIN: Mr. Murphy, I think you told Mr. Drysdale that this question of the Jacques Cartier bridge became of some concern to you in 1952, for the first time, on any serious scale?

Mr. MURPHY: The first time there was any positive indication of such infractions as were disclosed by the C.N.R. investigation.

Mr. BALDWIN: That would be pretty well borne out by what Mr. Beaudet said, because at page 436 of the proceedings, I observe that Mr. Beaudet said:

...1952 being the year when the former port manager asked me to look into the bridge matter.

You asked Mr. Beaudet, at that time, to concern himself specifically with the Jacques Cartier bridge?

Mr. MURPHY: Yes.

Mr. BALDWIN: Can you recall at this time the tenor of your instructions to Mr. Beaudet, and why you gave them?

Mr. MURPHY: I cannot recall our discussion on the matter exactly, no.

Mr. BALDWIN: Do you think I would—

Mr. MURPHY: I presume—first, may I say the change was made because of the illness of the port secretary, whose responsibility it was to administer and control the bridge operations. Naturally, Mr. Beaudet would have taken over all the responsibility that had been his. We did discuss this. I am not clear—it is not clear in my mind whether the C.N.R. report had been received prior to or subsequent to Mr. Beaudet's being asked to take over the administrative control of the bridge.

Mr. BALDWIN: Might I just refresh your memory, if I recall to you the circumstances under which Mr. Beaudet gave this evidence, and it might be of some help.

Mr. Beaudet had just been asked the question by Mr. Chown:

I believe this morning, Mr. Beaudet, you said that these suspicions that there was inefficiency in toll collections started in your mind when—what year was it, was it 1954?

It was in response to that question that Mr. Beaudet said that he had been asked by you in 1952; so that he had in his mind those instructions which stemmed out of concern as to inefficiency with regard to toll collections. Does that recall to your mind why you instructed Mr. Beaudet to investigate the question of the bridge?

Mr. MURPHY: The question of bridge toll collectors was always a matter of concern, but it was certainly highlighted by the report of the Canadian National Railways. I presume it was on the basis of that, that that was brought to the attention of Mr. Beaudet, though I feel confident that he knew that much before the full responsibility was placed in his hands, and we worked pretty closely together.

Mr. BALDWIN: Mr. Beaudet also said—and this appears on page 428 of the proceedings:

When I became port manager
—that is the year we accept was 1954—

When I became port manager, in looking over the confidential file of the former port manager, these things particularly dealing with the C.N.R. investigation, I was led to believe it was not 100 per cent correct.

It would then appear that at the time he took over, on examining your confidential file—which, I assume, deals with this bridge—he seemed to derive the impression there was still, in your mind, a feeling things were not right with regard to toll collections on the bridge?

Mr. MURPHY: That is natural, as a result of that C.N.R. report particularly.

Mr. BALDWIN: This was at that time, two years later?

Mr. MURPHY: Well, the administrative control of the bridge was taken over by Mr. Beaudet in 1952, or thereabouts.

Mr. BALDWIN: In 1954 he became port manager?

Mr. MURPHY: In 1954 he became port manager, and had full responsibility. Prior to that he had the responsibility, not to the board, but to the port manager, naturally.

Mr. BALDWIN: Possibly I may be making too much out of this, but it appeared to me that in 1952 he was first given specific instructions to look into it; and in 1954, when he assumed actual administrative responsibility and examined your confidential file, in 1954 there was still very considerable doubts in your mind?

Mr. MURPHY: I do not recall there would be anything on that file. As a matter of fact, it was a confidential file, in so far as it related to C.N.R. reports, because they had asked, as I recall, their reports to be kept on the confidential basis.

Mr. BALDWIN: Could you say specifically that nothing had been added to that confidential file? I am not asking you what was in it, but was anything added to that file between 1952 and 1954?

Mr. MURPHY: I do not think there was anything of a pertinent nature regarding the actions of the toll collectors, other than any disciplinary action which might have been taken, possibly, against some of them.

Mr. BALDWIN: When you left your employment as port manager, did you leave it with the feeling that everything was all right in connection with the operation of the Jacques Cartier bridge? I see you are smiling. That gives the answer to it.

Mr. MURPHY: That is a very difficult question to answer, and I do not think I can do so.

Mr. BALDWIN: In the words of Mr. Beaudet, there was still something other than 100 per cent perfection in the operation of the toll collection on the Jacques Cartier bridge?

Mr. MURPHY: I would think so.

Mr. BALDWIN: How much less than 100 per cent? Could you estimate it?

Mr. MURPHY: No, I do not think I could.

Mr. BALDWIN: You would rather not answer that one. Now, having in mind your approach to or your appreciation of the situation, if some better system of toll collection should have been brought to your attention, would you have adopted it?

Mr. MURPHY: Yes.

Mr. BALDWIN: You were not satisfied with the existing system of toll collection?

Mr. MURPHY: No, I do not think any one of us was satisfied that it was the best, by any means.

Mr. BALDWIN: That is all, thank you.

The CHAIRMAN: Mr. Bourbonnais?

Mr. BOURBONNAIS: You were well aware of the maintenance to the Jacques Cartier bridge?

Mr. MURPHY: Yes.

Mr. BOURBONNAIS: You had a maintenance crew?

Mr. MURPHY: Yes, we had one working on painting, principally.

Mr. BOURBONNAIS: Did you have a special crew for cleaning the bridge?

Mr. MURPHY: Yes, there were sweepers, as I recall it.

Mr. BOURBONNAIS: How were those sweepers hired?

Mr. MURPHY: I do not know definitely; I think they were hired through our timekeeper, but I am not sure.

Mr. BOURBONNAIS: Could they have been hired through some recommendations from some parties or some people?

Mr. MURPHY: They could have been, but I doubt it; but not as a result, not directly as a result of recommendations.

Mr. BOURBONNAIS: Could it be possible that these sweepers would collect receipts thrown on the bridge by the users of the bridge?

Mr. MURPHY: It is possible.

Mr. BOURBONNAIS: And that these sweepers could have resold those receipts to the toll collectors?

Mr. MURPHY: It is possible.

Mr. BOURBONNAIS: You say that it is possible. Thank you.

The CHAIRMAN: Now, Mr. Drysdale.

Mr. DRYSDALE: Mr. Murphy, I am sorry, but I wonder if I could follow the questioning from the other direction. When this report was made in 1952 to the harbours board, to whom did you make that report?

Mr. MURPHY: I addressed it to the National Harbours Board.

Mr. DRYSDALE: Was it a written report?

Mr. MURPHY: I believe that is a matter of record, as I understand, and it has been tabled.

Mr. DRYSDALE: Well, I ask you now from your own memory.

Mr. MURPHY: Yes.

Mr. DRYSDALE: Would you say that the report was a written report?

Mr. MURPHY: Yes.

Mr. DRYSDALE: Who were the members of the National Harbours Board at that particular time?

Mr. MURPHY: I think R. K. Smith was the chairman, Emile St. Laurent was the vice-chairman, and B. K. Roberts was the third member.

Mr. DRYSDALE: When this report was submitted to the harbours board in a written form, were you present at the time of the submission? In other words, was there a discussion with the members of the harbours board?

Mr. MURPHY: I do not recall whether I handed it to them or mailed it. I would imagine that it was mailed.

Mr. DRYSDALE: Was there a subsequent discussion by yourself and any or all of the members of the harbours board?

Mr. MURPHY: I do not recall any specific discussion at a specific meeting; but I have no doubt that it was discussed.

Mr. DRYSDALE: As a result of this particular report was there any recommendation made to you by the harbours board as to perhaps any further investigations, and were these either written or oral?

Mr. MURPHY: The harbours board would write a request that we investigate. I do not recall the name of the system, but it was a type of toll collecting machinery.

Mr. DRYSDALE: Perhaps I was not clear in my question; because in 1952 the Canadian National Railways investigators made certain reports, and you, in turn, made a report to the National Harbours Board indicating then the vast number of irregularities; and what I was trying to ascertain was whether there was any discussion, or letter written to you concerning those irregularities. In other words, the harbours board would say "we are worried about these irregularities. Would you investigate them?"

Mr. MURPHY: I do not recall it; but it would be a matter of record.

Mr. DRYSDALE: You do not remember whether there was any request from the National Harbours Board for you to do anything about it?

Mr. MURPHY: No, I do not.

Mr. DRYSDALE: You suggested in answer to Mr. Baldwin that you believed that you came to the opinion at some time that improvements could be made in the method of toll collection. Do you remember at what stage you came to that particular conclusion?

Mr. MURPHY: I think we always felt, right from the beginning, that it was a rather clumsy system.

Mr. DRYSDALE: And you would feel that at the time you came in, at the same time, or shortly after you came in?

Mr. MURPHY: Yes, definitely.

Mr. DRYSDALE: You felt, in other words, that there was money going astray?

Mr. MURPHY: Not necessarily, no. But it was always a matter of concern, when any individual is handling money, and particularly in small amounts, when it could be very difficult to maintain absolute control; but we were not able, in our studies of this matter, to determine any method of improvement to improve the method of operation.

This clarified cash register system would not eliminate the handling of money by the toll collector. And there was no greater assurance, as I recall it, that there would be any increase in revenue as a result of its installation.

And there was certainly not going to be any discussion about costs. Moreover there did not seem to be any reason to consider that it would amplify or increase the rate of flow of traffic. There would be no advantage in it.

Mr. DRYSDALE: You found perhaps that the inherent nature of the system was subject to irregularities which you accepted then?

Mr. MURPHY: I do not think we accepted them. It was always realized that there was that possibility, and what we felt was at that time possibly we should try to control it, partly from the Canadian National report; but that control was not by any means perfect.

Mr. DRYSDALE: Realizing almost from the inception the possibility of irregularities, the first time you thought there should be an investigation made was in 1952, some five years after you had taken over the administrative responsibility?

The CHAIRMAN: Would you please speak louder, Mr. Drysdale.

Mr. DRYSDALE: Yes; I am sorry.

Mr. MURPHY: May I suggest that the question be asked more directly, rather than suggested.

Mr. DRYSDALE: I am not suggesting.

Mr. MURPHY: I want to cooperate to the fullest.

Mr. DRYSDALE: You said first of all that you came in in 1947, and you told me that you were fully aware of the fact that there probably were irregularities.

Mr. MURPHY: I did not say that. I said that we were always concerned over that possibility, and that it is natural, I think, in a case where an individual is handling public funds.

Mr. DRYSDALE: You were concerned with the possibility of irregularities; and in view of that thought, nevertheless the first time you thought it was worthwhile to make such an investigation was in 1952?

Mr. MURPHY: No, I did not say that.

Mr. DRYSDALE: Well, was there any other investigation made?

Mr. MURPHY: We had our own continuous checks.

Mr. DRYSDALE: What did those checks indicate?

Mr. MURPHY: These were the checks which I mentioned, the daily checks which had been established to check the cash receipts against ticket sales, and occasionally we found where there was excessive overages or shortages that were not reasonably explained—that is, if the toll collector could not give a satisfactory explanation, then he would be disciplined; and it was apparent, we presumed, in such a case, that he was not complying with the regulations.

Mr. DRYSDALE: But this situation with your checks and discovery of irregularities—did that occur almost from the inception of your office?

Mr. MURPHY: Yes. Periodically throughout the whole piece there were, at least from time to time, obvious infractions when disciplinary action was taken.

Mr. DRYSDALE: 1952 was the first time, five years after you came in, when you decided that a full-scale investigation should be made by the Canadian National officials?

Mr. MURPHY: I do not think I decided that. It is not clear in my mind just what the initial arrangements were between the harbours board and the Canadian National Railways as to the times when these checks should be made.

Mr. DRYSDALE: But you had the administrative responsibility, and having that responsibility could you have had an investigation initiated at any time from the inception of your job as port manager?

Mr. MURPHY: It could have been.

Mr. DRYSDALE: You say you could have; you were the one who had the say in calling for an investigation. The difficulty I have in my mind is that I want to know—you say “yes, I have the administrative responsibility” but on the other hand you did not decide to have an investigation until 1952. Whose responsibility was it, then, to initiate an investigation then?

Mr. MURPHY: I am not too clear as to what the original arrangements were between the Canadian National Railways and the harbours board. The impression I was under was that the arrangement had been with the Canadian National Railways to check the Jacques Cartier bridge at the same time as they checked the Victoria bridge.

Mr. DRYSDALE: How did you reach that decision? Was that from reading the record?

Mr. MURPHY: I do not know definitely; it was a matter—it was an understanding that we had.

Mr. DRYSDALE: You never investigated as to whether this was being carried out or not, though?

Mr. MURPHY: No.

Mr. DRYSDALE: Do you know how often the Victoria bridge was examined?

Mr. MURPHY: No.

Mr. DRYSDALE: Perhaps I should advise you that one of the witnesses stated that the Victoria bridge was examined every year, with one or two exceptions.

Mr. MURPHY: That would suggest that when we thought that the Jacques Cartier bridge was to be examined each time the Victoria bridge was examined, we were wrong.

Mr. DRYSDALE: In other words you never really took any direct interest in the Jacques Cartier bridge with respect to an investigation?

The CHAIRMAN: That is hardly a fair question.

Mr. DRYSDALE: What other conclusion can we come to? This witness may correct my interpretation of what he stated, and I would like him to do so. But he said that he had the administrative responsibility, and that he was there until 1952, yet he did not really initiate it; that it was simply an arrangement that it be examined concurrently with the Victoria bridge, and he says that he did not know that the Victoria bridge was to be examined.

The CHAIRMAN: I understood from Mr. Murphy that these regulations were made before he came into office.

Mr. DRYSDALE: Mr. Chairman, I would prefer that Mr. Murphy gave the evidence rather than yourself. Mr. Murphy, would you like to clarify the difficulty that the Chairman has raised, and if I am being unfair, please tell me?

Mr. MURPHY: I rather feel that you are making assumptions from my answers which are not in accordance with my intent.

Mr. DRYSDALE: Please clarify it at any time. I am trying to be fair to you. You said that in 1952 you did not initiate the investigation, and that somebody else did. You said that.

Mr. MURPHY: I cannot recall definitely about the investigation, but my feeling is that that investigation was initiated by Mr. Brown or by Mr. Beaudet. As I say, I cannot recall exactly the date that one took over from the other, and it related to the time of that investigation. The only thing I can say definitely is that I did not make the arrangements with the Canadian National Railways at that time.

Mr. DRYSDALE: Did you feel perhaps that the onus was on you to make arrangements with the Canadian National Railways, and if not, who should have made arrangements?

Mr. MURPHY: The administrative control of the bridge was done by Mr. Brown in so far as the responsibility of Mr. Brown or of Mr. Beaudet—in so far as their relationship to me was concerned, and it was my responsibility naturally, in so far as the National Harbours Board was concerned.

Mr. DRYSDALE: Was it your feeling that you had delegated that responsibility from yourself to Mr. Beaudet or to the late Mr. Brown in respect to making any investigation?

Mr. MURPHY: That would be part of the delegation of authority, to look after the bridge, yes.

Mr. DRYSDALE: I am trying to make it clear as to whose responsibility you felt it was to make this particular investigation. I am trying to be fair to you. But there seems to be a sort of area of obscurity. Either you delegated it to Mr. Beaudet or to Mr. Brown and completely forgot about it, in which case you did not apparently consider as to whether or not an investigation should be made, or whose responsibility this should be. Did you worry about this matter of an investigation?

Mr. MURPHY: As I said, it was a question of concern as to the whole operation, and as to every branch of the harbours board.

Mr. DRYSDALE: Who had the responsibility for ascertaining whether or not an investigation was made on the Jacques Cartier bridge?

Mr. MURPHY: It could have been either Mr. Brown or Mr. Beaudet.

Mr. DRYSDALE: From 1947 to 1952 you did not know whether any investigations were being made of the Jacques Cartier bridge, and you did not feel that you had a responsibility to have an investigation initiated?

Mr. MURPHY: No, I am not trying to evade any sense of responsibility that may have been mine, as port manager.

Mr. DRYSDALE: That is not my question. I asked you a specific question. I am trying to ascertain who had the responsibility from 1947 to 1952 in your opinion as to initiating the Canadian National Railways investigation.

Mr. MURPHY: I would say Mr. Brown.

Mr. DRYSDALE: You mean Mr. Brown who is deceased now, and not Mr. Beaudet?

Mr. MURPHY: No.

The CHAIRMAN: Now, Mr. Johnson.

Mr. JOHNSON: Mr. Murphy, I refer to page 762 of the evidence, and I would like to direct your attention to a question, I then asked of Mr. Shea, which reads as follows:

Mr. JOHNSON: Between February and March of 1946 to September 1952, did you have any calls from anybody connected with the Jacques Cartier bridge to make investigations or checks?

Mr. SHEA: I could not be specific, but I would say probably every four or five years.

Mr. JOHNSON: I have a report showing that in March 1946 there were investigations. Twenty-nine crossings were made. Do you recall that?

Mr. SHEA: That sounds like us too.

Mr. JOHNSON: Did you have a specific request to do this investigation?

Mr. SHEA: Yes. We would not do otherwise. We would not do it without a specific request.

Mr. JOHNSON: You do not remember making any investigation between February, 1946 and September, 1952?

Mr. SHEA: No...

Would you please tell me if there was any particular reason why between the time of your appointment in 1947 and 1952 there was no request made to the Canadian National Railways to make an investigation?

Mr. MURPHY: I cannot answer that question.

Mr. JOHNSON: I continue to quote from page 762 as follows:

Mr. SHEA: No. It is possible. I know there was quite a period there. Would that be under the regime of Mr. Murphy who was port manager. I met Mr. Murphy, but I never recall him requesting me to make a check.

Is that correct?

Mr. MURPHY: I do not recall having met Mr. Shea. I do not say that I did not, but I do not recall it.

Mr. JOHNSON: Do you recall never requesting him to make a check for the Canadian National Railways?

Mr. MURPHY: I do not ever recall having asked him to make a check.

Mr. JOHNSON: Was there any particular reason why you would not ask Mr. Shea, or his department, to make any checks?

Mr. MURPHY: I cannot give any particular reason.

Mr. JOHNSON: What do you mean? You do not want to give one, or you have a particular reason?

Mr. MURPHY: No, I have no particular reason to give.

Mr. JOHNSON: Was it because, as you say, it was not your responsibility to ask him?

Mr. MURPHY: No, I would not say that.

Mr. JOHNSON: Was there anybody who put any pressure on you not to make any investigation?

Mr. MURPHY: No.

Mr. JOHNSON: Now, in relation to recommendations, have you had any verbal recommendation for any particular toll collector while you were in office?

Mr. MURPHY: Yes.

Mr. JOHNSON: Did you accept some of these recommendations?

Mr. MURPHY: No. I think I explained earlier that all appointments were made on the basis of qualification.

Mr. JOHNSON: How would you arrive at the necessary qualifications?

Mr. MURPHY: There were tests given to the applicants. These tests were done under the control of Mr. Brown or Mr. Beaudet. There was a check made on previous employment, as I recall it; and we required a recommendation as to character; and I think in the case of a toll collector, as I recall it, as in certain other employment, there was a check made through our police department to see whether or not they had a criminal record.

Mr. JOHNSON: Did you ever make contact with the Canadian National Railways to find out if the result of your inquiries and investigations of toll collectors on the Victoria bridge—did you make any contact to see how they did it, to take action on their conduct,—if there was contact?

Mr. MURPHY: No.

Mr. JOHNSON: Did it occur to you that you might have a point there, that the Canadian National Railways way of handling the matter of checking the toll collectors would be of any help to you?

Mr. MURPHY: I do not recall specifically considering that feature.

Mr. JOHNSON: I understand you had a procedure concerning grievances, and a grievance committee and so on with the brotherhood, the employees of the National Harbours Board. Did you make any contact to find out from the Canadian National Railways how they could discipline their members, or even fire a toll collector on the Jacques Cartier bridge without having any grievance on the part of the unions?

Mr. MURPHY: No.

Mr. JOHNSON: You do not recall making any attempt to contact the Canadian National Railways to find out?

Mr. MURPHY: No.

Mr. JOHNSON: You do not remember making any attempt to contact the Canadian National Railways to find out how they were investigating their toll collectors?

Mr. MURPHY: No, I do not recall that.

Mr. JOHNSON: Was there any particular reason, or is it just that you forgot to do it, or would want to forget it?

Mr. MURPHY: I have no reason to offer at this stage.

Mr. JOHNSON: Was there any pressure put on you by the higher-ups of the National Harbours Board not to make any investigation?

Mr. MURPHY: Never.

Mr. JOHNSON: Was there any direction from anybody?

Mr. MURPHY: Never.

The CHAIRMAN: Now, Mr. Monteith.

Mr. MONTEITH (*Verdun*): During the time of your authority, was there any specific or particular time when the actions of one of these collectors was drawn to your attention, or was any case at any time drawn to your knowledge of any of these irregularities on the bridge, or, let us say, irregularities at all, by one particular collector? Did you ever have to report to that effect?

Mr. MURPHY: There were reports from time to time on questions as to whether or not a toll collector was breaking some of the regulations. This was principally based, as I said earlier, on the question of checking the cash receipts against the ticket sales, and in each instance disciplinary action could not be taken without referring the matter to the port manager for his approval. To that extent, yes, there were individuals referred to me in that connection.

Mr. MONTEITH (*Verdun*): And disciplinary action as taken?

Mr. MURPHY: Yes, on quite a few occasions.

Mr. MONTEITH (*Verdun*): Did you at any time hear of incidents where toll collectors were threatened?

Mr. MURPHY: No.

Mr. MONTEITH (*Verdun*): Further to Mr. Bourbonnais' question, I think your answer was that it was possible that the sweepers on the bridge could pick up receipts and use them again, or sell them back?

Mr. MURPHY: It is possible, if perchance the receipt was not deposited in the demolition box—or through inadvertence.

Mr. MONTEITH (*Verdun*): Is it possible that there could be counterfeit receipts in existence?

The CHAIRMAN: I think that was mentioned before. They said they did not have any counterfeit receipts.

Mr. MONTEITH (*Verdun*): I want to ask each person that question.

Mr. MURPHY: In so far as I know, there was no indication of any counter-feit receipts.

Mr. MONTEITH (*Verdun*): But it could be possible, could it?

Mr. MURPHY: I do not think it would have been possible without being noticed.

The CHAIRMAN: Mr. Denis is next.

Mr. DENIS: Mr. Murphy, during your term of office did you happen to see or visit some other kind of toll bridge system?

Mr. MURPHY: No, I did not.

Mr. DENIS: Did you happen to go into the province of Quebec, or into Ontario, and see any?

Mr. MURPHY: No, I did not.

Mr. DENIS: Did you know if there was in existence any other toll bridge system?

Mr. MURPHY: There was one that I mentioned. The National Harbours Board had requested that we investigate, and I think it was Mr. Beaudet who investigated that and reported upon it.

Mr. DENIS: And do you know if those toll bridge systems were any different, better, or worse than the one you had?

Mr. MURPHY: The conclusion we reached was that there would be no advantage in installing such a system that was then available.

Mr. DENIS: To your knowledge while you were in office, did you know of any other way of collecting tolls?

Mr. MURPHY: No.

Mr. DENIS: I suppose on the bridge there are shifts, and it happens that the shifts are different groups. By comparing a given period of workers' shifts, could you notice, in the figures of revenue for a comparable, given period, or did you have any idea if one of those shifts could be inefficient or would report less revenue, or more revenue?

Is that a way of trying to find a way of finding irregularities, comparing one shift with another shift?

Mr. MURPHY: No, I do not think that would follow. It would not be a practicable method of checking.

Mr. DENIS: But supposing that in a given period of time the revenue was so many dollars, and for another, comparable, period the revenue was about the same, or was not the same? Would that be a kind of checking, besides the investigation of your investigator or besides the investigation of the C.N.R.?

Mr. MURPHY: One of the means, or tools, in the hands of the port manager in Montreal, with the complex operations, to study and to determine whether or not operations were proceeding with due efficiency, was the financial report that we received each month for each of the branches. That would give a ready indication of any peculiar changes from one month to, say, the corresponding month in the preceding year.

I think the records will indicate that in so far as toll collections are concerned, throughout the whole period that I was port manager, each year, or each month showed an increase over the corresponding month of the preceding year; and I think you will find that the records will indicate that the total yearly revenue increased in each of those years in the neighbourhood of 10 to 16 per cent, compounded.

The nature of those studies certainly, I would suggest, indicates that there was no leakage or diversion of funds on a particular concern.

Mr. DENIS: So by looking into those figures and seeing these regular increases, would it be a reason why you did not ask for more investigation on the part of your own investigator, or on the part of the C.N.R. investigators?

Mr. MURPHY: Not necessarily, but it could have influenced our thinking.

Mr. DENIS: By using the same way of comparison—I was talking about shifts—could you get about the same result, or the same indication by comparing the revenue of one shift to another, for a given period which is comparable?

Mr. MURPHY: I do not think it would have indicated any clear idea. I do not think it would have been valuable; I will put it that way.

Mr. PIGEON (*Interpretation*): Would it be possible to have, for your term of office, a list of those who were in charge of sweeping the bridge?

Mr. MURPHY: I do not have that information available.

Mr. PIGEON (*Interpretation*): You have not that in your record?

Mr. MURPHY: I do not know. It may be in the record. It probably was.

Mr. DENIS: They were not confidential papers?

Mr. MURPHY: No.

Mr. JOHNSON: Does Mr. Denis want to know if the papers those guys picked up were confidential?

Mr. PIGEON (*Interpretation*): You are not sure if it is possible to have those names and addresses?

Mr. MURPHY: Could I have the question repeated, please? I am not quite clear what was required.

The INTERPRETER: During your term of office, would it be possible to obtain a list of the sweepers on the bridge?

Mr. MURPHY: That is a matter of record. I do not have the records available.

Mr. PIGEON (*Interpretation*): Is this a confidential matter, or can it be made public?

Mr. MURPHY: It is unusual to make public matters of that nature, I think. But it is not for me to determine that at this stage.

The CHAIRMAN: Mr. Murphy would not have those records now.

Mr. DRYSDALE: Then may I ask him that question, Mr. Chairman? Mr. Murphy, do you have any records or any papers of any nature whatsoever that you took with you when you left the Jacques Cartier bridge?

Mr. MURPHY: None whatsoever.

Mr. DRYSDALE: All the files, the confidential ones and everything, were left?

Mr. MURPHY: I took nothing away from the harbour when I left it.

Mr. JOHNSON: Not even a pass?

Mr. PIGEON (*Interpretation*): Once again, would it be possible to have a list of the names and addresses of those who swept the bridge during your term of office?

Mr. MURPHY: I am not in a position to—

Mr. PIGEON: May I place a motion, Mr. Chairman, to have these names and addresses?

The CHAIRMAN: Mr. Murphy would not be the one to produce that information, Mr. Murphy is no longer with the National Harbours Board; he is now chief engineer of the St. Lawrence Seaway Authority.

Mr. PIGEON: Yes, but I would appreciate it very much if I could make a motion for them to produce the list.

Mr. MURPHY: They are not available to me.

Mr. DENIS: He cannot produce what he has not got.

Mr. PIGEON: Not him, but from the board.

Mr. DRYSDALE: Mr. Pigeon is asking for this information to be produced from whoever has the information.

The CHAIRMAN: You must ask that question of someone who can produce the information.

Mr. JOHNSON: He is making a motion for the papers from whomever is responsible for them; and I second the motion. Could we take a vote on the motion?

Mr. PIGEON: And also, if possible—

The CHAIRMAN: Just a minute. Before you can put that motion, I believe we would have to recall Mr. Beaudet, and then you can make your request of him. But you cannot make that request at the present time of Mr. Murphy, as the witness: I do not think it would be in order.

We could recall Mr. Beaudet later—and Mr. Beaudet is still here. I think that would be the proper time to ask for that.

Mr. DRYSDALE: Mr. Chairman, what Mr. Pigeon is seeking is to get the information from the National Harbours Board. I think it has been our custom in the past, as information has come up, to request it in a general way. Mr. Pigeon does not know these specific persons, and perhaps Mr. Beaudet could get that information. If we have to be technically correct, we have to get the person responsible for it.

The CHAIRMAN: That is right.

Mr. DRYSDALE: But I think Mr. Pigeon has made a general request, of which these gentlemen present could take notice and furnish the information if possible.

The CHAIRMAN: Would it be possible to hold that motion? The motion has not been accepted yet, and I do not know whether or not they have those papers.

Mr. DRYSDALE: That is what the motion is for, to find out.

The CHAIRMAN: Could you hold your motion for the time being, and we could ask Mr. Beaudet again to be a witness. I think that would be more in order. Then we would know whether or not there are such papers.

Mr. DRYSDALE: In reply to the motion he would either produce it, or he would not. I cannot see the point of calling him and asking "Have you that information?". He would still have to go back and check. The motion would be doing this very thing.

Mr. JOHNSON: May we call Mr. Beaudet now and ask him to produce the papers, if any?

The CHAIRMAN: We could recall Mr. Beaudet. Would you come up here, Mr. Beaudet, please.

Mr. JOHNSON: What is the use of wasting time doing it the other way?

The CHAIRMAN: Mr. Beaudet is still under oath.

Mr. PIGEON (*Interpretation*): Mr. Beaudet, I did not think that I would have the pleasure of hearing you once again. Do you believe that it would be possible for me to have the list I requested?

Mr. G. BEAUDET (*Port Manager, Montreal Harbour*): (*Interpretation*): I regret that I am not in a position to say whether or not this list is available. I would think, however, that likely it is possible.

However, I would like to make a remark in this regard. This morning I noticed that on a motion the committee decided not to give the names of toll

collectors on the Victoria bridge. Why would the National Harbours Board, then, be forced to give other names?

Mr. JOHNSON (*Interpretation*): Because the committee will decide this, Mr. Beaudet.

Mr. BEAUDET (*Interpretation*): Very well, I am at the entire disposal of the committee to produce what it desires. That was only an observation on my part.

Mr. PIGEON (*Interpretation*): I wanted the list of sweepers on the Jacques Cartier bridge, because I thought that this might be another method of toll collection.

Mr. BEAUDET (*Interpretation*): If, however, the names are to be produced I would like to have the specific period, because among the sweepers on the bridge there will be a list of a great many to be produced.

Mr. PIGEON: Since 1946, if it is possible. (*Interpretation*): Would it also be possible for me to have the names of persons who recommended the sweepers?

Mr. BEAUDET (*Interpretation*): As I have previously stated in the evidence, the letters dated before 1952 have already been destroyed.

Mr. PIGEON (*Interpretation*): From 1952 on. But prior to 1952, do you recall having received any recommendations from members of parliament to hire sweepers?

Mr. BEAUDET (*Interpretation*): No.

Mr. PIGEON (*Interpretation*): I wish to point out, Mr. Beaudet, that I had also asked for the same information as regards the Victoria bridge. Thank you.

The CHAIRMAN: The motion by Mr. Pigeon was seconded. You made the motion, Mr. Pigeon, that the papers be produced; and it was seconded by whom?

Mr. PIGEON: Mr. Johnson.

The CHAIRMAN: All in favour of the motion kindly indicate.

Mr. WRATTEN: Of what advantage is it going to be to have the names of sweepers on the bridge brought to this committee? This can only be a lot of work and a lot of expense in getting these names ready from 'way back, for 10 or 12 years. I do not think this is going to make any difference to the work or the findings of this committee.

Mr. PIGEON: I shall explain. The reason is that I believe these bridge sweepers might have picked up receipts, and then perhaps they might have transacted some business with the toll collectors.

The CHAIRMAN: Does any other member wish to comment on this motion? The motion is that the names of the sweepers on the bridge—from 1952, was it?

Mr. PIGEON: Yes.

The CHAIRMAN: —should be produced. All those in favour of the motion kindly indicate.

The CLERK OF THE COMMITTEE: Seven.

The CHAIRMAN: Those opposed?

The CLERK OF THE COMMITTEE: Eight.

Mr. JOHNSON: I am having a difficult time trying to get something here. I can get no information from Mr. Murphy, and not even any cooperation from the members of the committee, so we are wasting our time here.

The CHAIRMAN: The motion is lost. Mr. Fisher is next.

Mr. FISHER: Mr. Murphy, when you were reading the committee reports previously, do you remember a certain discussion of Mr. Hees on the question

of civil servants, as to whether there would be any advantages in having all the posts on the Montreal port authority in the civil service domain?

Mr. MURPHY: No, I do not. I did not pay particular attention to the previous proceedings except those directly concerning me.

Mr. FISHER: At any time when you were in charge of the port was there any discussion on this point, as to changing the set-up of the employees to bring them under the civil service administration?

Mr. MURPHY: Not to my knowledge.

Mr. FISHER: What are the advantages, to your mind, of the present system, vis-à-vis the civil service administration?

Mr. MURPHY: I am rather disinclined to express an opinion on that. It seems to me it would be beyond the sphere of what were my duties or what are my duties at the present time with the government.

Mr. FISHER: You were responsible, for a goodly period of time, for the port authority. We are trying to discover reasons why the administration was as it was, and we will have to make recommendations, perhaps, for its improvement.

I was just trying to get your opinion, as someone who was in charge for a long time, as to whether you found that that type of arrangement between the board, the port, and the employees satisfactory, or whether you thought the civil service set-up might be better?

Mr. MURPHY: In so far as my knowledge of the civil service is concerned, I think that the system under which the National Harbours Board operates is quite a satisfactory one.

Mr. FISHER: For much of the time when you were in charge of the port Mr. Chevrier was the Minister of Transport; is that correct?

Mr. MURPHY: Yes.

Mr. FISHER: Did you ever have any long conversations, or talks, or discussions on a formal basis with Mr. Chevrier about the port?

Mr. MURPHY: No. Under the administrative set-up the port manager reported directly to the board and had no direct dealings outside of that.

Mr. FISHER: This was the chain of command; and at no time was that chain of command sort of by-passed to bring you face to face with Mr. Chevrier to talk about Montreal port problem?

Mr. MURPHY: There were occasions, yes, when the board would meet with Mr. Chevrier. I recall one in Montreal; but it was concerned with grain elevator development. That is the only one I recall.

Mr. FISHER: Mr. Chevrier, or any representative of Mr. Chevrier's whom you knew of as being such, never came to you with any suggestion or recommendation in so far as the employment pattern was concerned of the port?

Mr. MURPHY: No.

Mr. FISHER: And, specifically, no representative of Mr. Chevrier, or Mr. Chevrier himself, ever spoke to you about the Jacques-Cartier bridge and the set-up there?

Mr. MURPHY: No.

Mr. FISHER: One of the questions I wanted to ask you was similar to what I asked Mr. Beaudet; and, of course, the reasons for it stem from the statistical pattern.

What was your practice as the port manager, in so far as examining and following the statistical pattern of the Jacques Cartier bridge in regard to both revenue and passengers in buses and in automobiles, the number of commuters, the number of cash fares, and that type of thing? Did you follow

that from year to year and have a statistical projection of the past—or have a statistical development of the past always available to you?

Mr. MURPHY: I do not recall ever having had it charted as such. We did, of course—as I mentioned before—check revenues against the previous pattern and, as I indicated, as far as the Jacques Cartier bridge was concerned I think almost without exception, as I recall, there was a continuous increase.

Mr. FISHER: Yes, but the scale of the increase is what bothers some of us who are looking at the statistics.

For example, there is the simple one and the one that seems to be possibly most open to abuse. In the number of passenger tickets sold, when you came on the bridge in 1947—or when you came on with full authority in 1947—there was a total of 3,180,000 such tickets sold. The year you left the bridge there were 5,100,000 tickets sold. In other words, there was an increase of not quite 2,000,000 in the number of passenger tickets sold.

If you had kept a statistical check from year to year you would have noticed that this increase was remarkably different from the increase that took place in the total number of trucks, buses, automobile cash fares and automobile commuters. I asked the same question of Mr. Beaudet, and I am asking you. You never noticed—

The CHAIRMAN: On what page is that?

Mr. FISHER: Document 2 following, page 737, I guess, would reveal this. It shows how in this period from 1947 to 1954 the total number of vehicles increased from just over 3 million to well over 8 million. In other words, well over double; and yet the number of passengers did not increase.

This discrepancy projected over a number of years—looking at it with hindsight, of course—seems very startling. I wondered why Mr. Beaudet did not catch it, and I wonder why you did not catch it?

Mr. MURPHY: I am afraid I cannot answer that question.

Mr. FISHER: You say you cannot answer that question; but could you answer it in this way? You did not check and follow the statistics closely enough to become suspicious of this particular pattern?

Mr. MURPHY: No.

Mr. FISHER: Did you have a pattern, as the port administrator, in so far as your various revenues were concerned, to keep following both the revenue and other related statistics?

Mr. MURPHY: It was principally on the basis of over-all revenue. As I say, there were comparisons there with previous years. During that period as I say, there were comparisons made with previous years and during that period of 1946 to the end of 1953 we noticed a very big increase in revenue.

Mr. FISHER: You say you noticed a very big increase in revenue. But if you analysed the components of that revenue, there was some startling increase, and there were other places where it did not increase at all.

Mr. MURPHY: Yes, but I cannot recall the details.

Mr. FISHER: You never analysed the components of the revenue as closely as you did the actual year to year gain in revenue?

Mr. MURPHY: That is right, and as closely as the month to month comparison with previous years.

Mr. FISHER: In retrospection—and this is what we are all doing; we can all be smarter by hindsight—but from retrospection, do you feel there would have been any merit in a much closer following of the month to month statistical components, and everything that took place on the Jacques Cartier bridge leading to revenue?

Mr. MURPHY: I doubt it, because our method, in so far as we were concerned, of checking did not indicate any extensive fracture of the rules; but there is always the possibility that it could have pointed out, perhaps, another line of inquiry.

Mr. FISHER: The question of passes has been touched on very briefly. Was this ever a problem with you which you took to your superiors—the difficulties which passes created for the tool collectors?

Mr. MURPHY: No, I do not think so. It was something that we had inherited and it seemed at that time to be an established procedure.

Mr. FISHER: You were not critical of the pass; therefore you just accepted it?

Mr. MURPHY: I was not critical, no. It was something we had to live with, certainly.

Mr. FISHER: You never made any recommendation that the National Harbours Board should look into the situation to see if passes could be abolished?

Mr. MURPHY: No.

Mr. FISHER: Did you ever consider that the pass system was one means of weakening the veracity or efficiency of the tool collection system?

Mr. MURPHY: Not particularly. It would have been, had there been some method of checking by count the number of cars against it, or the numbers of types of tolls collected; but with the system of tools, it would have been very difficult to conclude.

Mr. FISHER: In your relationship with the National Harbours Board, who was the member of the board during your period of responsibility in Montreal, who was closest to the Montreal operation? I ask this question because we gathered from Brigadier Archer that members of the board tended to divide the authority.

Mr. MURPHY: Well, in all my dealings with the board, I was rather meticulous in all my correspondence to address it to the board only. I felt that I was dealing with the board as a whole, and I was quite meticulous in that regard.

Mr. FISHER: Now I shall ask you a general question. We are interested in discovering how close a working knowledge was had by the National Harbours Board with respect to port problems, and specifically to the Jacques Cartier bridge problem. Could you elaborate on that?

Mr. MURPHY: I think they had as much knowledge as I had at my disposal, perhaps no more, and certainly no less.

Mr. FISHER: Do you mean knowledge that was conveyed through letters, or do you mean first hand knowledge gained through the personnel of the Harbours board looking at things on a fairly regular basis?

Mr. MURPHY: I think it was more a question of knowledge derived through reports and through their own review of statistics and revenues.

Mr. FISHER: During your regime there was no particular board member who took a specific interest in the port, or in the Jacques Cartier bridge situation?

Mr. MURPHY: No, I think all three took an equal interest. The board was divided, in that the chairman—whether it was traditional or not, I do not know—was a lawyer; the vice chairman at that time was an engineer; and the third member was the financial one. I think they paid particular attention to those phases; but in questions of general policy, from my observation, the authority acted as a unit.

Mr. FISHER: You never received any instructions at all from the board, or directions from the board concerning the way you were to handle political patronage, or directives or letters, or advice from political figures?

Mr. MURPHY: No, except in the employment of certain classifications. In the early days when I was there we used to have to refer our recommendations to the authority for approval.

Subsequently, in so far as toll collectors were concerned, we made temporary appointments ourselves, but all permanent appointments had to be confirmed by a board minute. But there was no direct action by the authority in the actual hiring, or in reviewing the applicant's qualifications. That was all a matter of the port manager's responsibility.

Mr. FISHER: I have one final question. I am going to ask for your opinion now, and I hope you will be free with it. Are there any suggestions or opinions which you can give us regarding the operation of the port and the managerial relationship with the bridge which you think would make for a better operation?

Mr. MURPHY: I think perhaps if that question had been asked before the installation of the present toll collection system, I could have said yes. But I do feel from my observations that with this new system which has been established, where the handling of the cash is taken away entirely from the employee himself, the toll collector, it seems to be as good and as fool-proof a system as could be developed. There might be improvements in the technical features of that system, but from what I gather, it is a good system.

Mr. FISHER: What the witness has said leads me to another question, and I apologize for asking it. The bridge is only one source of revenue. Wharfage is another source of revenue; and there are certain concessions in connection with the harbours board which are other sources of revenue.

Mr. MURPHY: Yes.

Mr. FISHER: Is there any possibility in your mind—we may have a scandal about the bridge situation, and we may not. That remains to be determined.—But is there any possibility in looking at other aspects of revenue with respect to the port authority? Do you think there is any possibility of the kind of doubts arising which have been raised about the efficiency of the Jacques Cartier bridge?

Mr. MURPHY: I do not think so. You are dealing with a different type of revenue altogether. I do not think there would be the same difficulty. However I do not think I am in a position to suggest any myself. After all, I have been away from there for six years, and I am speaking about Mr. Beaudet's regime. There have been improvements, just as there were, I think, during the six or seven years that I was there, in the general administration.

Mr. FISHER: After you left the job, you did not develop any criticism of the operation?

Mr. MURPHY: No, none whatsoever.

The CHAIRMAN: Now, Mr. Drysdale.

Mr. DRYSDALE: Mr. Murphy, who was the minister of transport during the time that you were port manager, during the entire period?

Mr. MURPHY: Mr. Chevrier was, in the immediate period that I was port manager.

Mr. DRYSDALE: And Mr. Marler was not?

Mr. FISHER: He came in just at the end.

Mr. DRYSDALE: Please let Mr. Murphy give the answers.

Mr. MURPHY: I am not aware of the date when Mr. Marler took over.

Mr. DRYSDALE: You stated to Mr. Fisher that you had discussions with the harbour board officials and with Mr. Chevrier at certain meetings. How often were these meetings held, and do you remember where they were held?

Mr. MURPHY: I can only recall one clear meeting with Mr. Chevrier on the matter of the operation of Montreal harbour, and it was in connection with the program of expansion of grain elevator facilities.

Mr. DRYSDALE: And when was that?

Mr. MURPHY: I do not recall.

The CHAIRMAN: That is outside our reference.

Mr. DRYSDALE: I trust you will permit me to examine the witness. There is also the question of testing his memory. I was trying to test why he would remember certain events and not others. I am not going into grain facilities. You do not remember?

Mr. MURPHY: I do not remember the exact date, no.

Mr. DRYSDALE: Or the year; was it before 1952 or after 1952, or shortly after you came in, in 1947? I realize it is difficult, but I wondered if you had any approximate idea?

Mr. MURPHY: I do not recall. I imagine it was about four or five years after. It must have been around 1952, possibly, but I cannot say definitely.

Mr. DRYSDALE: You remember only one meeting that you had with the board when Mr. Chevrier was present?

Mr. MURPHY: That is the only one I recall, and it was not a meeting of the full board; it was a meeting with the board at Montreal to consider the question of the expansion of grain elevator facilities.

Mr. DRYSDALE: Was it your practice to meet with the full harbours board, or how did you keep the harbours board informed of your activities?

Mr. MURPHY: We made monthly reports to the harbours board, and they made periodic visits, not at regular intervals, but fairly frequently; and I had to go to Ottawa occasionally.

Mr. DRYSDALE: Had you ever met Mr. Chevrier in informal visits? Did he come down to inspect the Jacques Cartier bridge when you might accompany him?

Mr. MURPHY: No.

Mr. DRYSDALE: There were never any direct communications?

Mr. MURPHY: No, we had no direct communication. The port manager had no direct communication in the ordinary course of events with anybody but the board, in so far as the board's business was concerned.

Mr. DRYSDALE: When you made a report to the harbours board, do you know what happened to it, and whether or not it was passed on to the minister?

Mr. MURPHY: No, I have no idea.

Mr. DRYSDALE: Did you ever receive any instructions back as a result of the reports made?

Mr. MURPHY: I do not recall any definite instructions, no.

Mr. DRYSDALE: You never inquired. The thing I specifically ask is this: you made this report in 1952 after the investigation to the harbours board, with certain recommendations. Do you know specifically whether or not that report was passed on to the minister?

Mr. MURPHY: I do not know.

Mr. DRYSDALE: Did you ever receive any correspondence back, or reply back from the board as a result of those recommendations or comments?

Mr. MURPHY: No, I do not recall any correspondence.

Mr. DRYSDALE: Do you remember whether you made any inquiries?

Mr. MURPHY: I do not recall.

Mr. DRYSDALE: Well then, from the period of 1947 to 1952, or 1954, it was emphasized by the Canadian National investigation in 1954, and you also stated that there had been a number of irregularities, did you draw those irregularities to the attention of the board?

Mr. MURPHY: Yes, to the authority of the board.

Mr. DRYSDALE: Do you know whether or not the board drew the attention of the minister to those irregularities?

Mr. MURPHY: I do not know.

Mr. DRYSDALE: Did you ever make any inquiries about what happened to your recommendations to the board?

Mr. MURPHY: No. They were hardly recommendations; they were more in the nature of a proposed line of procedure.

Mr. DRYSDALE: Perhaps the word "recommendations" is not suitable; but over the period from 1947 to 1954 there were irregularities in the case of toll collections which might possibly mean—and this is my own interpretation—diminished revenue.

What I was wondering was, was it of any concern to you, having the administrative responsibility of the bridge, whether or not your recommendations went to the top; and, if so, whether or not there was any comment which worked its way back to you as to what you should do?

Mr. MURPHY: As far as I was concerned, in my position, the national harbours board itself was the top. It is set-up as a crown corporation, as you know.

Mr. DRYSDALE: There was no concern evidenced by the National Harbours Board that nothing was done concerning these irregularities?

Mr. MURPHY: I cannot answer for the National Harbours Board.

Mr. DRYSDALE: The National Harbours Board never communicated to you their concern over the irregularities?

Mr. MURPHY: Yes, they were concerned, but I do not recall anything in the way of correspondence. There may have been. I am sure we discussed the matter.

Mr. DRYSDALE: What was the nature of the discussions? Did you just sort of talk it over mutually, saying, "It looks like there are a few more irregularities this month?"

Mr. MURPHY: No. Certainly the National Harbours Board members were serious men, and I feel we, too, took a realistic view of those things and were seriously concerned about any of the matters.

Mr. DRYSDALE: I wish you would elaborate, but I keep having to direct your attention to the point of the questions, to try and extract the information. If you could volunteer information as to the discussions you had concerning the toll collection facilities, that would help. I know you do not want to place any responsibility on anybody, and I quite understand your concern; but I wish you would try to indicate what the nature of these discussions was.

Mr. MURPHY: Put it this way: The National Harbours Board depended on myself, as port manager, at that time, to administer the Jacques Cartier bridge as well as other harbour facilities. They showed concern about the question of the toll collections, and I think they all appreciated there was a possible weakness in the system, although all attempts we had made to develop conclusive evidence had not been entirely satisfactory. Basically, I think the feeling was that we should try and find a different system of collection. That has been done now. There was nothing like that at that time, and this new system of toll collections was not developed until about five years ago, I think. The systems which were developed at that time—and this one in particular was

considered to be about the most modern we have heard of—did not seem to offer any real advantage over the method we had adopted. The basic weakness in a system of that nature is that you have the handling of cash by an individual.

Mr. DRYSDALE: Would it appear logical to you, as administrator of the port authority, and as a businessman in a very responsible position—would it appear to you, when these irregularities had been occurring over a period of several years, it would be logical, after you reported it to the board, for the board to report it to the Minister of Transport, the person who had the ultimate responsibility, when there was this possibility of a shortage?

Mr. MURPHY: I could hardly judge.

Mr. DRYSDALE: I am not asking for your opinion. You had quite a responsible job.

Mr. MURPHY: I do not think, necessarily. The National Harbours Board was established as a crown corporation and had its responsibility, certainly, to the crown. But it seems to me there would have been no need, and I do not see there would be any particular advantage in taking these problems to a minister.

Mr. DRYSDALE: You do not think where there is a possibility of revenues being side-tracked, shall we say, on a bridge that it should have been at least drawn to the attention of the minister?

I am not a businessman, and I am only a member of parliament, but it even occurs to me that perhaps somebody would have passed along to the minister information concerning these irregularities.

Mr. MURPHY: As I say, until 1952 our feeling was that the irregularities, if there were any, were of a relatively minor character.

Mr. DRYSDALE: But you suggested a further investigation, which you did not undertake to have made?

Mr. MURPHY: We did not undertake at that moment to have another one made by the C.N.R.

Mr. DRYSDALE: No.

Mr. MURPHY: But we did initiate additional ones of our own. I think I brought that out two or three times.

Mr. DRYSDALE: Which confirmed the fact there had been continuing irregularities proceeding with regard to the toll collection operation?

Mr. MURPHY: Excuse me?

Mr. DRYSDALE: I said, which did confirm your earlier statement there had been continuing irregularities, through all these years, with regard to the toll system; but you reported this to your board and, as far as you know, the board did not report to the minister. You never inquired of the board as to whether it was reported to the minister?

Mr. MURPHY: No, I do not think it was my place at all to do so.

Mr. DRYSDALE: Would you not, perhaps, even as a matter of curiosity?

Mr. MURPHY: I would not say so, no.

Mr. DRYSDALE: You were not interested at all in finding out whether that was passed on to the minister, or whether any steps should be taken by you, as administrative officer in charge?

Mr. MURPHY: It was no concern of mine, as to whether or not the board passed that on.

Mr. DRYSDALE: If there were revenues diverted from the bridge, is that not a concern of yours, as administrative officer?

The CHAIRMAN: Mr. Drysdale, might I interrupt? Mr. Murphy was responsible to the National Harbours Board, and reported to the National Harbours

Board. His responsibility then, I would judge, would end as far as that went, because it was then up to the National Harbours Board to take action, if action was necessary.

Mr. DRYSDALE: Thank you for your explanation, Mr. Chairman, but I still want to get the evidence from the witness.

I know what the relationship is. All I want is Mr. Murphy's explanation of the situation, which is very difficult to understand. As port manager and administrative officer, he was responsible for the revenues of the Jacques Cartier bridge, and he said that over a period of seven years he had found irregularities. There may have been a recommendation to the harbours board, and he does not know whether the harbours board did anything about it, as far as passing it on to the minister was concerned; and he doesn't know whether the minister knew anything about it. He passed suggestions to the harbours board, and he never inquired; and yet he is the person responsible for the revenues of the bridge. During the period under discussion there is a considerable shortage with regard to these revenues.

I am trying to ascertain—and Mr. Murphy is extremely difficult to get information out of—I am trying to ascertain if he can give any sort of reasonable explanation. That is all I am trying to do, in fairness to Mr. Murphy.

Mr. MURPHY: The relationship between the National Harbours Board members and the minister was certainly no concern of the port manager. I think it would be very presumptuous for a port manager to assume any line of action they might take in that regard.

Mr. DRYSDALE: As port manager—as between yourself and the National Harbours Board—when you had mentioned all these continuing irregularities, did you feel there was any responsibility placed upon yourself to find out what the National Harbours Board attitude was in regard to correcting these irregularities or doing something about them, or whether they were concerned?

Mr. MURPHY: I am sure the board was concerned.

Mr. DRYSDALE: Never mind about being "sure". Were they or were they not?

Mr. MURPHY: May I suggest that question should be directed to the board itself, rather than to myself?

Mr. DRYSDALE: You had the financial administrative responsibility to the National Harbours Board, for the money. You made certain recommendations, or drew it to the attention of the National Harbours Board. I think it is in your interest, as well as in the board's interest, to see if there was any discussion, implementation or criticism. After all, you are the person who would be exposed to criticism, are you not?

Mr. MURPHY: I did not remember the details of those discussions which are, after all, eight years back. I can only really generalize, at a time like this, as to what my general memory is of the general features of our discussions and investigations.

Mr. DRYSDALE: In other words, you do not really remember very much, and you do not feel any personal responsibility, as far as the administration is concerned—or you did not feel any obligation to follow the matter up?

Mr. MURPHY: Mr. Chairman, again, these are very suggestive questions, which I think are somewhat unfair, in that they might be improperly interpreted. He is endeavouring to put words in my mouth.

Mr. DRYSDALE: I am trying to get words out of your mouth and not to put them in; but it is extremely difficult to get any answers at all from you, Mr. Murphy, on matters which I think you, as a businessman, could answer, perhaps, logically. You do not seem to be particularly concerned as to what happened to the revenue or recommendations.

The CHAIRMAN: I mentioned before that Mr. Murphy was responsible to the National Harbours Board. He could not go over their head.

Mr. DRYSDALE: Mr. Chairman, I seem to spend more time discussing this with you than I do with Mr. Murphy; and while I am discussing this with you it should give Mr. Murphy the opportunity, perhaps, to add to the answer. But he had a direct responsibility to the National Harbours Board, and he reported to them.

Presumably, when he drew to their attention—I would assume, as he has already stated—over a period of years that there had been a substantial number of irregularities, surely, the National Harbours Board would in some way act? He puts it into the National Harbours Board and, at some stage, the National Harbours Board would probably turn around and discuss something about that. That is what I am trying to find out—the basis of the discussions. I have not followed up the link between the harbours board and Mr. Chevrier. These things Mr. Murphy, as port manager, should know, and he does not seem to know anything about them; and that is what mystifies me.

The CHAIRMAN: I think, when he reported to the National Harbours Board it was out of his hands then, and it was up to them to act.

Mr. DRYSDALE: I prefer Mr. Murphy to give the testimony.

Mr. MURPHY: As I have indicated, I reported to the National Harbours Board on that feature. The National Harbours Board would naturally depend on me to a large extent to follow through these further investigations. As I say, we did initiate investigations. We did not ask the C.N.R. at that time; and that was not done until about four years later.

Mr. DRYSDALE: After you had left?

Mr. MURPHY: Yes, after I had left. During the remaining period of two years, or one-and-a-half years, or whatever it was, I was there, we did not ask the C.N.R. to make further investigations. But, as I have said, we did initiate investigations of our own, in endeavouring to clear this matter.

Mr. DRYSDALE: What did those investigations disclose—irregularities?

Mr. MURPHY: Not serious ones, no.

Mr. DRYSDALE: What did they disclose, then? What was the nature of the investigations?

Mr. MURPHY: There was nothing really conclusive in them, except that we would find a toll collector occasionally was unable properly to explain an excessive overage or a shortage, in which case he was disciplined—to the extent, in some cases, of being discharged. Those are matters of record.

Mr. DRYSDALE: The investigations would be made by your own men on the Jacques Cartier bridge?

Mr. MURPHY: Yes.

Mr. DRYSDALE: Who, presumably, would be known to the toll collectors. Would it be better to have the C.N.R. people—who were, presumably, unknown to the toll collectors—who had done one investigation, and had done previous investigations—and back in 1934 it was the original idea the C.N.R. make these investigations—would it not be better to have the C.N.R. do them?

Mr. MURPHY: That may have been, but the difficulty there was using the evidence they developed in order to take actions that would have been effective under the grievance procedures of this collective bargaining agreement.

An Hon. MEMBER: How long are we going to sit, Mr. Chairman?

The CHAIRMAN: I would like to have Mr. Murphy completed this morning. The committee agreed to sit until 12.30.

Mr. DRYSDALE: Do you think you could get better information from your own officials, who would be known to toll collectors, or from the C.N.R. investigators who, presumably, are unknown to your officials?

Mr. MURPHY: It is a very difficult thing to convict a man.

Mr. DRYSDALE: I am not worrying about convictions, but your recommendations, after the C.N.R. report, that further investigations should be made.

The C.N.R. made the original investigations, and you turned to your own men in the Jacques Cartier bridge—who, presumably, were known to the toll collectors—to make investigations; and you said they were relatively inconclusive. You did not take any steps to have the C.N.R. investigators called back?

Mr. MURPHY: Not in that remaining period of my period of office.

Mr. DENIS: I want to refer to the observations made by Mr. Fisher about a difference of increases between commuters and trucks. I would like to ask Mr. Murphy if he could find any explanation in that difference of increases?

Mr. MURPHY: May I refer to the proceedings again, which I read and I think an explanation was given by Mr. Beaudet in that connection.

Mr. DENIS: Would you say, for instance, the degree of residential development in the southern area, or the trend for industry to use more trucks in order to look after their business, might explain, in some way, this difference of increases between commuters and trucks?

Mr. MURPHY: Off-hand, I would think, with the development of the south shore, that the nature of traffic increases, as between passenger automobiles and/or trucks, would follow the general trend. To what extent those might vary from that, I am not in a position to judge.

Mr. FISHER: On a point of order, Mr. Chairman, I do not quarrel with Mr. Denis' question, but he gave a wrong interpretation to what I was asking to what I was developing. I was showing the contrast, not between trucks and buses or commuters, but between the growth in passengers within cars and the actual growth and number of cars passing over the bridge. You brought in this question of trucks and commuters. The cars passing over the bridge are both on commuter fares and also on cash fares.

The figures I gave were the total of the passenger cars going over the bridge, and the relationship between the total and the number of passengers in the cars who were paid for.

The point I was trying to make was that there was far more than a doubling in the number of cars passing over the bridge during Mr. Murphy's regime; whereas there was not a comparative increase in the number of passengers paid for.

That is my point, and I think it needs putting on the record, because I think Mr. Denis may have obscured it.

Mr. DENIS: I think we want to go to the same point. If, for instance, in the south area there is a great development of a residential area, it would be possible, I think, that more passengers would cross the bridge every day, going to Montreal and from Montreal, to and from work. That is what the question I asked Mr. Murphy was—if he could explain, in some way, those differences of increase.

I also asked Mr. Murphy if the trend of using trucks for industry is greater than ever and would again explain, in some way, this difference of increases between each other?

Mr. MURPHY: I would think all classes of traffic would follow the general trend of increase in the development of the community; but I do not think, necessarily, they would follow at the same rate of increase.

The CHAIRMAN: Is that all?

Mr. DENIS: That is all.

The CHAIRMAN: Are there any more questions to be asked of Mr. Murphy?

Mr. FISHER: I would just like to ask one question.

Mr. Beaudet tells us that M.P.'s came to see him on various matters relating to employees on the bridge operation during his time in charge of the bridge and harbour. Did you ever have any such visitors and, if so, who were they?

Mr. MURPHY: I remember the late Mr. Healy who is a member for that ward. He used to call me up quite frequently. I think he was in several times to visit me.

Mr. FISHER: What about Mr. Roch Pinard?

Mr. MURPHY: I do not believe he ever called.

Mr. FISHER: What about Mr. August Vincent?

Mr. MURPHY: I talked to him on the telephone once or twice. He was in the office on occasion.

Mr. FISHER: What was it in which they were interested?

Mr. MURPHY: It was principally, I think, to recommend employees, but I did not consider there was anything unnatural about these visits.

Mr. FISHER: And those are the only two you remember—Mr. Vincent and Mr. Healy.

Mr. MURPHY: I do not recall others coming in.

Mr. FISHER: Did the fact that these men came in to see you arouse any interest in you, in the fact that these people wanted this particular job.

Mr. MURPHY: You mean more than other jobs?

Mr. FISHER: Yes.

Mr. MURPHY: No, not necessarily.

Mr. FISHER: I just have one further question. Did the member from Saint-Denis, Mr. Denis, ever come in to see you?

Mr. MURPHY: I do not recall seeing him before this morning.

Mr. FISHER: This is the first time you have seen him?

Mr. MURPHY: Yes.

Mr. FISHER: You have had a rare pleasure postponed too long!

Mr. WRATTEN: In answer to a question some time ago, Mr. Beaudet said that somebody had joked with him about the cars that these supervisors were driving—and, if I remember correctly, he was driving an old Chev. Did you, Mr. Murphy, ever have the same jokes put to you, or did you ever notice the cars these supervisors were driving?

Mr. MURPHY: No.

Mr. WRATTEN: It did not interest you to the point that you made inquiries, in any way, shape or form?

Mr. MURPHY: No. I do not remember ever seeing their cars.

The CHAIRMAN: Are there any further questions to be asked of Mr. Murphy? No? Then we will adjourn.

AFTERNOON SITTING

TUESDAY, May 10, 1960
3.20 p.m.

The CHAIRMAN: Gentlemen, I see a quorum. This afternoon we have with us Mr. B. J. Roberts, a former chairman of the National Harbours Board, as a witness. At present he is the president of the St. Lawrence Seaway Authority.

Mr. Roberts, would you please come up to the head table. I am sorry to have this delayed so long, but the members have been busy.

Mr. B. J. ROBERTS, (*President, St. Lawrence Seaway Authority*) sworn.

The CHAIRMAN: Now, gentlemen, Mr. Fisher was the one who asked that Mr. Roberts be called, but Mr. Fisher is not here at present. Are there any questions you wish to ask Mr. Roberts?

Mr. DRYSDALE: Does Mr. Roberts have a statement?

Mr. ROBERTS: No Sir.

The CHAIRMAN: He has no statement.

Mr. DRYSDALE: When did you first come to the National Harbours Board, Mr. Roberts?

Mr. ROBERTS: Upon its formation. I was an officer of the Department of Finance and I was on the temporary board, the harbour commission of Montreal, from October 1935; and when the act was proclaimed to establish the National Harbours Board I was appointed in 1936.

I was a member of the temporary board and I was appointed pending the passing of the National Harbours Board Act. But on the promulgation of that act in the fall of 1936 I became a member of the National Harbours Board.

Mr. DRYSDALE: And you were a member of the National Harbours Board until when?

Mr. ROBERTS: Until February 1, 1958, and I became chairman at the end of 1955.

Mr. DRYSDALE: You heard the evidence this morning and the discussion with Mr. Murphy in regard to the various investigations of the toll collectors. Since you have been associated practically all the time with the board, I wonder if you have any comments on the matter of the irregularities.

What steps, if any, did the harbours board take over that period, and in particular what steps were taken to advise the ministers of transport during that period?

Mr. ROBERTS: On the formation of the board we visited all the facilities of the harbours with which we were concerned, and investigated various aspects of their administration.

I remember particularly that we looked into the system employed for the collection of tolls on the Jacques Cartier bridge, and we discussed the matter with the then port manager, Mr. Alec Ferguson, who was a competent administrator, being both an engineer as well as an accountant.

He made a report to us, as to the means which might be taken to ensure the best administration we could obtain of that bridge, and whether any equipment was available which would assist us, the costs, and so on.

The net result of his advice to the board was that there was no mechanical equipment available at the time which would ensure absolute, one hundred per cent collection of revenue, should you have an employee who failed.

Mr. DRYSDALE: What year was that?

Mr. ROBERTS: I think it was in 1938. I think Mr. Murphy again this morning referred to a further request of that nature from the board in 1951.

However we accepted the port manager's recommendation, and we came to the conclusion that our best safeguard as to the failure of an employee from laxness in administration was to keep on investigating the activities of the bridge and to ensure, so far as possible, the effective collection; and that meant applying the regulations.

I think I can say from that time up until 1956 or 1957 when I became the chairman, in 1956 or 1957, after I had become chairman, nothing reached our attention as general supervisors of the ports which would lead us to think that there was anything more than—I would say—dangerous or which would give rise to the general suspicion of ineffective administration other than the failure of individuals to carry out in detail the various methods and instructions, such as, for instance, failure to make sure that a commutation book was handed in with the ticket.

There were numerous cases where a toll collector was found taking a single ticket. That did not make me suspicious. And why?

Because in the exchange of commutation books when they expired at a certain period from time to time, we got reports of those books having been turned in by the holder with a considerable number of unused tickets which certainly gave me the impression that the collection was effective, and that the books were being taken, and that the commuters had their books turned back when the time had expired.

So until 1957 when there was an investigation by the Canadian National Railways—and I am quite certain that I asked the port manager, or suggested to him that that one should take place, on various occasions when I was attending at Montreal at a meeting of the port managers, having had some financial training, I felt I should keep before him always the question of keeping up discipline and have no laxity, because in the last analysis, when money is being handled, weaknesses will be found out if you have any laxity in your administration.

I would like to say further that the administration of the Jacques Cartier bridge was not the only toll bridge that the National Harbours Board was then responsible for, because we administered the Second Narrows bridge in Vancouver; and so far as I know we never had an unfavourable report or any suggestion that the rules there—and the tariff was somewhat similar, and the means of collection was exactly the same—we never had any suggestion that things were going wrong there.

I do not think there was any suggestion that the revenue had jumped up when eventually that bridge was handed over to the municipalities after the debt had been paid for from the earnings of the bridge.

At the same time during my visits to Vancouver I took steps to inquire into the administration of the First Narrows bridge, which was a privately owned corporation.

Mr. DRYSDALE: I do not want to interrupt you.

Mr. ROBERTS: I was just answering your question as to what I did in connection with the administration of the bridge.

Mr. DRYSDALE: Yes, but I meant the Jacques Cartier bridge.

Mr. ROBERTS: Very well then, if you are not interested, I shall stop.

Mr. BOURGET: Mr. Chairman, we are interested, and I think the witness should be allowed to continue. There is nothing to hide.

Mr. DRYSDALE: There is nothing to hide, but just to keep it clear, Mr. Roberts has now gone on to the Second Narrows bridge in British Columbia, which is geographically interesting to me since I come from that area; and also he has gone on to the First Narrows bridge.

I was going to point out that we are primarily interested in the Jacques Cartier bridge and the Victoria bridge under our terms of reference. But if the committee wants to extend its terms of reference here, Mr. Roberts would be quite agreeable to that.

The CHAIRMAN: We cannot do that. But I thought that Mr. Roberts was leading up to comparisons.

Mr. ROBERTS: It is not essential information, and I may be taking up the time of the committee; but I wanted to indicate that we were just not sleeping; we were looking into these systems to see how other bridges were operating.

Mr. DRYSDALE: Yes, I have one or two more questions. Mr. Roberts, how were these investigations initially initiated by the Canadian National Railways officials? Who was it up to? Was it up to you, the harbour board, or the port manager?

Mr. ROBERTS: I think it is essentially the port manager's duty. He is the administrator. Superimposed on that there is the responsibility to the members of the board. We were not in Montreal all the time. We were there a relatively short time. I think essentially it was the duty of the port manager to watch that system through his assistance and to see that it was made as effective as possible.

Mr. DRYSDALE: Were you aware of the examinations being made on the Victoria bridge? Did you look into them as a comparison?

Mr. ROBERTS: I think in 1938 we were informed by Mr. Ferguson that he had made an arrangement with the Canadian National Railways. Actually my impression of it was on the basis that whenever they made an investigation of their own bridge they would proceed to our bridge. It may not have continued. I do know that from time to time I did suggest to the port manager that it was about time, if he had not had one, that there should be another check-up.

Mr. DRYSDALE: But there was no regularly organized method of ascertaining the checks. It has already been testified to before the committee that the Victoria bridge, with the exception of about two or three years, that an annual check was made by the Canadian National Railways investigation staff. Yet you said earlier you were quite aware as to what was going on. The investigations were 1934, 1938, 1942, 1946, 1952, 1957, 1958 and 1959. Did you receive reports of these investigations?

Mr. ROBERTS: I would say this, that normally we would not expect to receive any report from the port manager unless it called for some attention on our part, such as suspensions or disciplinary action that was in the hands of the board and not in his own hands. We may have been advised of some check-ups, but the general impression that we obtained from the various reports, certainly that I obtained from the various reports that came to my attention, was that outside of what you might expect to be human frailty, neglect or going through all the motions, nothing serious ever came to our attention.

Mr. DRYSDALE: Well, Mr. Roberts, that, of course, is a matter of interpretation, but there seem to have been, as admitted by Mr. Murphy this morning, a series of irregularities right from the inception of the bridge. Perhaps I can refer specifically to his recommendation. This refers to the investigation of 1952, where it says:

In reporting to the board on this investigation, the port manager stated that he would prefer to obtain additional evidence in respect of the toll collectors concerned, and also broaden the investigation to cover other toll collectors.

What did you do with respect to this report?

Mr. ROBERTS: We accepted his recommendation that there was nothing disclosed that warranted any serious action as a result of that investigation.

Mr. DRYSDALE: The port manager said he would prefer to obtain additional evidence in respect of the toll collectors concerned.

Mr. ROBERTS: Yes.

Mr. DRYSDALE: Did you follow up to find out if any additional evidence had been obtained?

Mr. ROBERTS: I cannot tell you from my memory what actually was done about that, except that the port manager was a responsible person. He had not produced any evidence to us of anything wrong except failure to carry out the details of the regulations and procedures. There was no question of anybody having been found dishonest or anything of that nature and we, I imagine, left it to his judgment to carry on his further investigations and checks.

Mr. DRYSDALE: Was anything done about the second aspect of his recommendation, where he said:

And also broaden the investigation to cover other toll collectors. Were all the toll collectors examined?

Mr. ROBERTS: I cannot answer that. There were a number of different checks. The evidence before the committee showed the different times and types of checks. But we felt—I was informed and I think it was the practice for quite a while with the commission that when the toll collectors came on duty they were searched. I think there was some reference to that. But I got the impression at the time that every now and then those toll collectors who had been on duty would be searched by higher officials as to the amount of money on their persons. I do not know when that stopped. There is some reference to it having been stopped, because legally we could not do it. I think perhaps it might have been well to keep it up and take our chances of having legal complications if there might have been any.

Mr. DRYSDALE: Is it correct to say the results of these investigations, while you were a member of the board, were drawn to your attention?

Mr. ROBERTS: I do not think the port manager drew to our attention any result of his own investigations or those done by the Canadian National Railways, unless he felt there was something in them that required attention or action by the National Harbours Board.

Mr. DRYSDALE: Specifically can you indicate then as to which ones of the investigations were brought to your attention?

Mr. ROBERTS: The record seems to indicate the one in 1952 was.

Mr. DRYSDALE: You were not there in 1934?

Mr. ROBERTS: No.

Mr. DRYSDALE: Was the one in 1938 drawn to your attention?

Mr. ROBERTS: I have no recollection.

Mr. DRYSDALE: Was the one in 1942 drawn to your attention?

Mr. ROBERTS: I doubt it.

Mr. DRYSDALE: Was the one in 1946 drawn to your attention?

Mr. ROBERTS: I doubt it. The reason I doubt it is because I do not think those reports disclosed any serious situation, any situation that the port manager himself was not competent to deal with.

Mr. DRYSDALE: In the investigation of 1946, it was stated at a board meeting held in Montreal on March 6, 1946, that the port manager reported

on this investigation and was instructed to give a further warning to the collectors. Would you be present at that meeting? Do you remember that discussion?

Mr. ROBERTS: Likely. I do not remember that discussion. I attended regularly to all my duties and I was probably there, but then again I think if you look at the report you will find that the report did not indicate that many collectors were implicated in failure to carry out the details of their duties, and there was no other suggestion rather than that in the reports that were received.

Mr. DRYSDALE: Have you seen this information, Mr. Roberts?

Mr. ROBERTS: I have looked over it.

Mr. DRYSDALE: Then you are aware that on certain of the occasions—for instance, in 1934 there were only seventeen crossings made, which is indicated in that report, where the collectors were checked for cash or commutation tickets. I understand on some occasions they were checked primarily for cash and on other occasions they were checked for commutation tickets. Are you aware that the trucks were never checked throughout the entire history of the examinations?

Mr. ROBERTS: I certainly am not aware of that.

Mr. DRYSDALE: On other occasions, as indicated in the evidence, the matter was referred to the National Harbours Board. Did the National Harbours Board in turn advise the then Minister of Transport in 1946 and in 1952 as to those irregularities?

Mr. ROBERTS: Well, the many communications between the board and the minister, such as they were, were through the chairman. I cannot answer that in so far as what may have taken place when I was chairman.

Mr. DRYSDALE: What period were you chairman?

Mr. ROBERTS: From the end of 1955 to February 1, 1958.

Mr. DRYSDALE: During that period did you draw to the then minister's—Mr. Marler or Mr. Hees—attention that there had been any irregularities in the matter of toll collections?

Mr. ROBERTS: What types of irregularities?

Mr. DRYSDALE: The irregularities disclosed as a result of the Canadian National Railways investigation?

Mr. ROBERTS: You mean did I call the minister's attention to the fact that somebody failed to hand out a receipt?

Mr. DRYSDALE: Yes, if you wish to describe it that way.

Mr. ROBERTS: No, I did not, because that would be considered detail that the minister should not be bothered with.

Mr. DRYSDALE: You did not call to his attention the result of the Canadian National Railways investigation?

Mr. ROBERTS: I do not recall discussing that with the Minister of Transport, the failure of toll collectors who were under our administration to carry out the letter of the rule with regard to collections.

Mr. DRYSDALE: The fact that the Canadian National Railways Victoria bridge had investigations by their own investigators every year, would that not seem to you to have been a reasonable standard or a minimum standard on which to have these investigations?

Mr. ROBERTS: It all depends on what other checks were being made by our own staff and what evidence those investigations revealed. Also it would have something to do with what our port manager thought about the effectiveness of the Canadian National Railways checks.

Mr. DRYSDALE: Would you feel it was actually in the discretion of the port manager as to whether he transmitted this information to you or not?

Mr. ROBERTS: Yes, but he would not naturally bring anything to our attention that he did not think called for some action on our part or that we should be advised of.

Mr. DRYSDALE: And on those two specific references and then in 1946 you never communicated this information to the then Minister of Transport?

Mr. ROBERTS: Not to my knowledge. I would not, because I would not be in contact with the minister, unless he raised the question of toll collections on the Jacques Cartier bridge and wanted to discuss the matter with the whole board.

Mr. DRYSDALE: Did he raise the question of toll collections, and his desire to discuss it with the whole board?

Mr. ROBERTS: Not to my knowledge.

Mr. DRYSDALE: You never discussed with him, either formally or informally, the question of these irregularities, which resulted from the C.N.R. investigations?

Mr. ROBERTS: I can only speak from my own knowledge.

Mr. DRYSDALE: I am just asking as to your own knowledge.

Mr. ROBERTS: Yes, I am speaking of my own knowledge—and in 1956, when Mr. Marler was the Minister of Transport, I discussed with him the question of the installation of an automatic toll collection system, and the amendment of the tariff to simplify it so that it could be adapted to mechanical collection matters, not on the basis that we had anything serious on our hands, but on the basis, first of all, that it probably would be more economical and, secondly, it would remove opportunities from any person who might have been tempted—and, thirdly, it would, we thought, facilitate the collection of the revenue and free cars to move across the bridge.

We had those three considerations in mind. I think the evidence will show that the board approved, on the recommendation of Mr. Beaudet, who was very active in these matters. As soon as we could, we approved of a tariff—and I might say we worked many days over it—that would meet the situation, and approved, in principle, of the installation of the equipment, as soon as it was reasonably possible to install it, having regard to the work which was taking place on the bridge and the construction of the approaches on the south end.

Mr. DRYSDALE: You mentioned the matter of temptation of employees.

In view of that statement did you, at any time, during this period, when you were a member of the National Harbours Board, feel there was any money, shall we say, going astray?

Mr. ROBERTS: It did not make any difference what I felt; the question is always, whether you have evidence. In every system where money is handled, in your departmental stores, or anywhere else—any system that I know of, you have to rely on the honesty of your employees, and try to put in such checks as you can to prevent any dishonest employee from taking advantage of whatever opportunity may exist.

Mr. DRYSDALE: I appreciate the background information, but I wonder if you would answer my specific question. I asked you particularly whether or not you felt that any time during this period, that money was going astray?

Mr. ROBERTS: I cannot answer that question, because my feelings have nothing to do with evidence of theft.

Mr. DRYSDALE: Well, with respect, I think it is relevant, and I am asking your opinion.

Mr. ROBERTS: I have no opinion about it, until I find evidence against someone.

When I was chairman of the board, my policy was this. When I found evidence that people were not carrying out the regulations, disciplinary action was taken—perhaps a warning first; and after that, remove them to some other work. That was what was done in 1957, when I was chairman of the board. I insisted that the seven people involved in that investigation, where I think it was a repeated failure to carry out the regulations, should be removed to some other position in the harbour where they would not have the opportunities from which such failures may have come.

Mr. DRYSDALE: I am referring specifically to the 1952 investigation, where it was alleged that the port manager did pass on the information to you. It was stated that the investigation carried on for a period of ten days, and there were some 75 crossings of that bridge by investigators. It disclosed 14 cases where toll collectors detached a coupon from a commutation book which had expired; 17 cases where a detached ticket was accepted; 20 cases where a charge was not made for one or two passengers; and seven cases where no receipt for cash was issued to the driver of the car.

In view of this report, and the recommendations of the port manager that there should be a further investigation, did you, personally, at that time, have any suspicion that there might be money going astray?

Mr. ROBERTS: I was always satisfied that there could be a certain amount of favouritism. As a toll collector, you get used to having friends go by, and that was one avenue of missing revenue, which probably was not important, but worth considering. But, generally speaking, nothing came to my knowledge that could be construed as laxity on the part of the officers.

I went to the bridge many times in rush hours and, with the complication of having to take fares, and people pushing through in an endeavour to get home, if a toll collector did take a ticket from a book that was expired, it might have been accidental—and I think he is entitled to that doubt, until you find other evidence.

I did remark that we had many books turned in with tickets still attached, which were not any good, which served as some evidence that there was no apparent failure to carry out the regulations.

Mr. DRYSDALE: Were you with the board in March, 1957?

Mr. ROBERTS: Yes.

Mr. DRYSDALE: During the period of March 16, to March 21, there were some 100 crossings of the bridge made by the investigators. In 90 cases no receipts for cash were issued by the collectors, and in 88 cases the toll collector did not request payment of fares for passengers. Did this raise any doubt in your mind that money was going astray?

Mr. ROBERTS: It exhibited to me a far more serious situation than had ever been brought to my attention before—and you know, from the record, that those toll collectors were removed from their positions. There was a loud protest on the part of the union. I did everything I could to hold that position, and I succeeded.

Mr. DRYSDALE: In view of the recommendation from the port manager, in whom you seem to delegate your authority, as far as any examinations were concerned, there was a period of five years, from 1952 until 1957—and did you not try to ascertain why there was no check being made by the C.N.R. investigators, or by any other investigators, such as the R.C.M.P.?

Mr. ROBERTS: I cannot assume, in detail, what I did. I know from time to time—because I was concerned with keeping that administration as good as possible—I did suggest to the port manager keeping on the check-up—whatever

he felt like doing; and, naturally, from day to day, I did not know what was happening in the harbour. It was his responsibility. But I am satisfied that up to 1956 and 1957, nothing had happened, in the way of these investigations, to make us unduly apprehensive as to the failure, in essence, to carry the revenue that was due. And, furthermore, all the statistics that we received as to the revenue collections month by month, in relation to the number of motor cars in existence, the growth of the municipalities on the south shore, indicated to us that we were going along, in the way of revenue collection, by and large in accordance with the trend in events.

Mr. DRYSDALE: Mr. Murphy had made a recommendation to you in 1952 that there should be further investigations made.

Mr. Murphy apparently took the attitude this morning that as long as he made the report to the board, that ended it.

Mr. ROBERTS: No.

Mr. DRYSDALE: From my understanding from you, as long as you received the report, you did not appear to feel any responsibility to ensure that any investigations or checks were made, and you left it to Mr. Murphy.

Mr. ROBERTS: His report implied he would continue to investigate and check some of the collectors. There was no specific recommendation in that report for any action by the harbours board. As I say, everything which came to our notice before that indicated simply individual cases of laxity which we could understand and which I think did not warrant anything more for the time being than disciplinary action, and a careful watch, and every effort to try to keep the matter in control.

Mr. DRYSDALE: What steps, if any, did you take to ascertain whether or not Mr. Murphy had followed out his own recommendations for further investigations after the 1952 investigation?

Mr. ROBERTS: I would say from time to time when we met with him we discussed this and he reviewed how he indicated he was taking action to keep up the discipline.

Mr. DRYSDALE: Were any reports made of these investigations by Mr. Murphy?

Mr. ROBERTS: I cannot remember, but I do know that personally I emphasized the necessity to have the check-up and keep discipline going and to suspend or take disciplinary action whenever he found anything which should be questioned, such as shortages and overages. Another check which went on continuously was a check of the collections of each collector each day to see if they were out of proportion. There were a good many checks. As you have been told there were checks made from time to time by stopping vehicles on the bridge and if they did not have their receipt they were required to go back, pay, and come forward with the receipt.

Mr. DRYSDALE: You felt there was a necessity for continual checking, and I would suggest one of the reasons was the possibility of money going astray in addition to the factors you have suggested.

Mr. ROBERTS: I would think that is obvious.

Mr. DRYSDALE: But it is not obvious to me why there were no investigations on a regular basis either by the C.N.R. or the R.C.M.P.

Mr. ROBERTS: You can draw your own conclusions. I am not drawing conclusions.

Mr. DRYSDALE: There was no effort on your behalf, aside from the fact that you have stated you knew money was going astray.

Mr. ROBERTS: I did not know any money was going astray.

Mr. DRYSDALE: I understood you to say that.

Mr. ROBERTS: I have been very careful not to say that.

Mr. DRYSDALE: You do not think any money has gone astray?

Mr. ROBERTS: I am not thinking.

Mr. DRYSDALE: I am asking your opinion.

Mr. ROBERTS: I am not giving any opinion.

Mr. DRYSDALE: I think your job is to try to assist the committee.

Mr. ROBERTS: I will assist the committee with any information I have, and I have not got that information.

Mr. DRYSDALE: You were under no suspicion over the whole period you were in there that any money went astray?

Mr. ROBERTS: I am always suspicious where money is being handled.

Mr. DRYSDALE: But your suspicions were not sufficient for you to make an adequate survey.

Mr. ROBERTS: That is a question of judgment.

Mr. DRYSDALE: In your judgment was this an adequate survey?

Mr. ROBERTS: I think under the circumstances which existed and having regard to the general experience in connection with any medium of handling cash, I defy anybody to show that the management of the harbour was lax and that they did not realize the possibilities which existed. I once saw an article during the course of my administration having regard to toll collections on the United States bridges and the heading was "One for the company and one for me". It is not an unknown thing that it has been difficult to check toll collection on bridges.

Mr. DRYSDALE: When were you aware of that article?

Mr. ROBERTS: Some time during the period.

Mr. DRYSDALE: If you were aware of such an article did it not appear logical that such a thing would happen on the Jacques Cartier bridge, if it was widespread on other bridges.

Mr. ROBERTS: I tried to do everything I could to keep up the discipline, keep on the checks and remove toll collectors who were not carrying out the regulations, even though it might be only a suspicion that they were lax and were not converting.

Mr. DRYSDALE: My question is, if you had read the article in this magazine as you have stated "One for the bridge company and one for the toll collector", would this not put you on your guard that there might be the same possibility on the Jacques Cartier bridge.

Mr. ROBERTS: I was on my guard so far as my duties were required.

Mr. DRYSDALE: What do you mean by so far as your duties were required?

Mr. ROBERTS: I was not the administrator. My duties were with the board and covered many activities in the harbour. I certainly never forgot the Jacques Cartier bridge, and so far as I could I tried to have the best administration it was possible to obtain in connection with the operation of that bridge. We inherited a staff. We inherited a system of tolls. It was not easy to change that system of tolls, for various reasons which I do not need to enumerate. There was some disinclination to disturb the public by trying to put in complete measures. If we had another stop at the end of the bridge for securing tickets it might have helped, but it would hold up the public and you would have an unfavourable public reaction. We tried to do everything possible to secure the revenue position. The failure to carry out the detail of the regulations does not necessarily imply a loss of revenue.

Mr. DRYSDALE: Do you think that it was a good idea that there was such a long time lapse, like four or six years, before the C.N.R. investigation due to the small number of trips made especially in the early part and the fact that there were separate investigations, one in regard to cash and one in regard to commutations? Do you think it would have been usual to follow the procedure of the Victoria bridge and have one a year?

Mr. ROBERTS: I did not know how many checks were being made. It was not my duty to make these checks. There were checks made I had no knowledge of whatever.

Mr. DRYSDALE: Was it not the duty of the port manager, whoever he was, to report to you what was happening with regard to the revenue, and any possible irregularities, and identify those.

Mr. ROBERTS: He would only be required to report to us if there was anything in connection with administration which he felt required our attention. If he had investigation or checks which did not indicate anything more serious than he should expect to find, he would not in the natural course bring it to our notice.

Mr. DRYSDALE: Are you saying in effect that the first time the board was aware of the fact that investigations were made by the C.N.R. was in 1946 and again in 1950?

Mr. ROBERTS: No. I mentioned in my evidence that we knew in 1938 that Mr. Ferguson had made checks and arrangements with the C.N.R. for what I thought was going to be a continuity of the investigation by the C.N.R. on our bridge when they did them for their own bridge.

Mr. DRYSDALE: Did you ever ascertain as to the one year basis which was being used on the Victoria bridge, whether or not that continuity was being carried on?

Mr. ROBERTS: I did not know how often the C.N.R. investigated their own toll collectors.

Mr. DRYSDALE: Did you feel any obligation on yourself to keep posted on the number of investigations being made on the Jacques Cartier bridge, or who was that left to?

Mr. ROBERTS: So far as I know it was the duty of the port manager to keep up the discipline of his organization and unless something had occurred which required him to get some authority from the board to take disciplinary action we would not necessarily know about it. On the other hand, I do know that on frequent occasions, with all the port managers during my period of office, I did take advantage of the meetings to call their attention to the necessity of keeping up the discipline on the bridge, which I think was about as much as could be expected of a member who was not involved in the detail of administration.

Mr. DRYSDALE: In 1942, there were 27 trips made and we have irregularities. Following those checks a warning was issued to the toll collectors that they must rigidly follow the rules respecting tolls. Would you be informed of that letter?

Mr. ROBERTS: If it came to the board I never saw it.

Mr. DRYSDALE: Would that be the type of letter which would come to the board?

Mr. ROBERTS: I cannot tell you about the detail of this. I understand in that case it was reported to the board. Is that in the evidence?

Mr. DRYSDALE: It is in the evidence I have before me. That is why I am trying to ascertain whether or not it had been given to the board.

Mr. ROBERTS: A lot of things have happened since 1956 and I cannot remember day by day everything that happened. I have been involved with a lot of things.

Mr. DRYSDALE: Does the national harbours board meet usually once a year and go over the yearly operations?

Mr. ROBERTS: The national harbours board in my time would meet every few days and would travel to a place like Montreal sometimes 8 or 10 times a year in some years.

Mr. DRYSDALE: You have auditors who would be interested in the revenue picture and the checks being made on the toll collectors because of the inherent danger of the system.

Mr. ROBERTS: Certainly.

Mr. DRYSDALE: Would you not inquire as to what steps were being taken by the port manager?

Mr. ROBERTS: My evidence is to the effect I did. Any time a report was made to the board requesting action, the board took it.

Mr. DRYSDALE: In view of the fact that in every case, no matter how small the number of trips, as the number of checks increased the irregularities increased and these irregularities were such there was a possibility of money going astray, why were no steps taken to have at least yearly checks. That is what I cannot understand.

Mr. ROBERTS: Checks do not stop it. You would have to be checking all the time. You try to have checks in order to indicate to you the extent to which the regulations are being carried out and to try to keep discipline up so that instead of having laxity you have a firmness of administration. You can have an investigation today and tomorrow everybody relaxes again. There is no security in that. What we were trying to do was keep up discipline. None of the people on the bridge knew when these checks were being made. They could have expected one any day. Unless you have a suspicion of misdemeanors you cannot take any action other than discipline or removal from the job. In later years I think the laxity, if you want to call it that, became more pronounced, as it did in 1957, when we took prompt action and probably some individuals may have considered it to be rather cruel action when there was no evidence of anything other than failure strictly to comply with the routine which was required.

Mr. DRYSDALE: But the failure to comply with the routine also could be a source of diverting money.

Mr. ROBERTS: It could be.

Mr. DRYSDALE: Under that particular situation in order to combat the laxity, would it not have been advisable to have had checks more frequently.

Mr. ROBERTS: Probably with all the knowledge we have now we may think it is very easy to be wise.

Mr. DRYSDALE: Yes; but there were checks started in 1934 in which there were only 17 crossings, then in 1938, there were 37 crossings, and in 1942, there were 27 trips and so on. In each of these cases there were irregularities.

Mr. ROBERTS: The necessity of more continuous checks and the idea as to whether or not they were necessary would depend upon how serious you regarded them when you get the reports.

Mr. DRYSDALE: You said you did not always get the reports.

Mr. ROBERTS: I am speaking of the local administrators. If they had a number of checks which did not reveal anything more than the usual normal

number of slips on the part of the toll collectors in carrying out the precise duties in the way that the routine was laid down and did not regard that as a very serious lapse or something done in a rush or something of that nature, they would not feel that they had to have another check the next day or next year.

The CHAIRMAN: Mr. Drysdale, have you many more questions? There are others who have questions.

Mr. DRYSDALE: I have just a few more. Would it be fair to say in essence that you delegated your supervisory authority so far as checks were concerned to the port manager?

Mr. ROBERTS: That was the system of organization.

Mr. DRYSDALE: That is what was done?

Mr. ROBERTS: That is our system of organization. It is the port manager who is responsible for the local administration. The board is responsible for policy.

Mr. DRYSDALE: But when the port manager makes a recommendation, as he did, that further examination should be made—

Mr. ROBERTS: The port manager made a recommendation that he should do something himself, if I read it correctly.

Mr. DRYSDALE: But you never did ascertain whether or not he carried out his own recommendation.

Mr. ROBERTS: I cannot answer as to that.

Mr. DRYSDALE: Why?

Mr. ROBERTS: Because it is a detail. I cannot answer to it. So far as I was concerned I felt that the port manager was applying checks and would be having checks made of his own staff in one way or another as often as he thought it was desirable.

Mr. DRYSDALE: Did the irregularities not concern you enough to kind of follow up what had been done? I thought you had already been advised in 1946 that slips were being made.

Mr. ROBERTS: Slips on the part of the toll collector in each individual case of not handing out receipts, and so on, which may be indicative of not carrying out the regulations but not indicative of anything else. It depends on the extent of the errors which would lead you to think it desirable to have an independent investigation more often.

Mr. DRYSDALE: Were any of these investigations made drawn to the attention of the Ministers of Transport who were in office at the particular time?

Mr. ROBERTS: Not to my knowledge.

Mr. DRYSDALE: It was not drawn to their attention either by yourself formally or informally or by the board as a group?

Mr. ROBERTS: The minister is the minister who routes the board reports through the governor in council to parliament, but the minister is not charged with the administration of the national harbours board in the same way as he is charged with the administration of his department of government.

Mr. DRYSDALE: My question was this. Was a report made to any of the ministers, Mr. Hees, Mr. Marler or Mr. Chevrier? I do not remember the ministers before that. Did you ever make any report either formally or informally?

Mr. ROBERTS: About what?

Mr. DRYSDALE: About these irregularities—any irregularities which occurred at all. Was that drawn to their attention.

Mr. ROBERTS: It was an administrative matter in our own hands and would not necessarily be, and was not likely, drawn to the ministers' attention. It would not be, unless he had some kind of personal experience of his own or some representations from a member of parliament or the public to question our administration. Then he would naturally ask us for information and discuss the matter with us and have a report.

Mr. DRYSDALE: During that period did any minister ever ask you about the irregularities of the tolls?

Mr. ROBERTS: No.

Mr. DRYSDALE: No minister at all during the period?

Mr. ROBERTS: No.

Mr. DRYSDALE: Thank you.

The CHAIRMAN: Mr. Browne and then Mr. Denis.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Chairman, I just want to check the pattern of when the first suggestion was made that the automatic toll should be installed. When did that first come to your attention?

Mr. ROBERTS: I think the evidence is the board approved in principle the installation of automatic tolls in the spring of 1956 and we had been dealing with it for a year or a year and a half before that.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Marler, I think, was the minister then.

Mr. ROBERTS: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): And you subsequently discussed the matter with him.

Mr. ROBERTS: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): Was any decision arrived at during that time? Was there any further correspondence or discussion which took place?

Mr. ROBERTS: So far as the installation of the automatic toll system was concerned I think he was apprised of our attention. No action would be required by the minister in connection with the installation of a toll system until such time as there was a contract.

If the contract was of such an amount that it came within the scope of the board, the board would make the contract itself. If, on the other hand, the contract exceeded a certain amount, it would have to be approved by the governor in council.

Naturally, we were spending our own revenues and were getting approval of the budget; and, in due course, we would have provided the funds out of our own revenues, but with the consent of government by approval of the budget.

Unless the contract required the approval of the governor in council we would have proceeded, and in a case like that we would probably assume the necessary approvals would be granted. That would not be a matter I would discuss with the minister, except to indicate our intention.

Mr. BROWNE (*Vancouver-Kingsway*): What exactly happened? Did the board immediately set out to negotiate for the purchase of this equipment?

Mr. ROBERTS: I do not think so, not immediately. There were certain procedures and certain difficulties with regard to the provision of this equipment. It was much in demand, and Mr. Beaudet handled the arrangements for the securing of the machinery. But before we could use the equipment we had to obtain the revision of the tariff on tolls. As you know, the National Harbours Board Act provides that the governor in council and not the harbours board may make by-laws relating to charges, tariff, and so on.

There were a good many complications when I discussed this revision of the tariff with Mr. Marler in 1956. There were questions of negotiating with the province so that they might pay the amount which was owed by them, in our view, on the deficit which had not been paid. There was the question of approval of the tariff by the lieutenant governor in council. There was the question of possibly securing an amendment to the agreement between the Montreal harbour commissioners and the national harbours board, as successors to them, of the tri-partite agreement between the city of Montreal, the province of Quebec and the harbours board, with a view to anticipating the construction of the Champlain bridge, under which the revenues of both bridges could be dealt with as a whole, rather than singly.

As I say, there was a number of complications, and Mr. Marler informed me at the time that the tariff, the approval of the tariff would be delayed.

Mr. BROWNE (*Vancouver-Kingsway*): In effect, the approval of the tariff, did that actually—

Mr. ROBERTS: That was a matter not in the hands of the national harbours board.

Mr. BROWNE (*Vancouver-Kingsway*): In other words, did the waiting for the tariff to be approved prevent the board from going ahead and acquiring the automatic toll equipment?

Mr. ROBERTS: There was considerable time available for this, to deal with equipment, because the south shore approaches on which the new plaza was to be built were not ready at that time. There was some delay possible without seriously affecting the situation.

Mr. BROWNE (*Vancouver-Kingsway*): In actual fact, the board could have gone ahead, and it was within its own power to go ahead and purchase the equipment?

Mr. ROBERTS: It depends on how much the contract would be. I actually do not know whether, in the end, the leasing of this toll equipment did require approval of the governor in council, because it was done after I left.

Normally, we would not approach the minister for approval in that manner, because it would be covered by an item in our budget; and we were not using voted funds, but funds from the revenues of the bridge. The resources of the bridge were adequate to cover the expenses.

The CHAIRMAN: I believe if the amount of money was over \$5,000—\$5,000 or over—it would have to be brought to the cabinet for approval by the harbour board itself?

Mr. BROWNE (*Vancouver-Kingsway*): What I want to know is whether, in effect, the minister had to approve this before the board could go ahead?

The CHAIRMAN: Mr. Beaudet might be able to answer that.
Can you answer that, Mr. Beaudet?

Mr. BEAUDET: Yes, Mr. Chairman.

There are two problems there:

(1) The purchase of equipment; that is the straight purchase. This did not require approval of council (sic).

(2) There was the leasing of the equipment, which was for a period of three years, as per terms of the company who supplied the equipment; and this required approval of council (sic).

However, I might add that the purchase of the special equipment was not possible before a new tariff was approved, because this equipment had to suit the tariff applicable to the operation of the toll collection.

The CHAIRMAN: Thank you very much, Mr. Beaudet.

Does that answer your question, Mr. Browne?

Mr. BROWNE (*Vancouver-Kingsway*): Yes. As I understand it now, the board approved, in the spring of 1956, in principle, of the acquiring of automatic toll equipment, and no further action was taken because nothing could be done until the toll structure had been agreed upon and set by the harbours board?

Mr. ROBERTS: By the governor in council.

Mr. BROWNE (*Vancouver-Kingsway*): But it was the harbours board that would work on the toll structure and would revise the tolls structure, and then present that to the governor in council?

Mr. ROBERTS: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): When did the board have the revised toll structure ready?

Mr. ROBERTS: In 1956.

Mr. BROWNE (*Vancouver-Kingsway*): At the time they approved, in principle, the acquisition of the equipment?

Mr. ROBERTS: Is that not correct, Mr. Beaudet?

Mr. BEAUDET: Yes, it is correct.

The CHAIRMAN: It is in the evidence, I believe.

Mr. BROWNE (*Vancouver-Kingsway*): That would presumably be sent on to the minister or the governor in council at that time?

Mr. ROBERTS: I have already said I discussed this matter with Mr. Marler, who informed me, either then or subsequently—and my memory is not too well on this—there would be a delay in approving the tariff.

Mr. BROWNE (*Vancouver-Kingsway*): Then that was Mr. Marler's responsibility, to get it approved, was it?

Mr. ROBERTS: The governor in council approves the tariff. I reported—

Mr. BROWNE (*Vancouver-Kingsway*): But it was not the harbours board responsibility: the harbours board was finished with it and had passed it on?

Mr. ROBERTS: I am stating the facts, and I could not give you any more explicit information.

Mr. BROWNE (*Vancouver-Kingsway*): I am just trying to find out what the facts are which you are giving me. I perhaps have not understood it as well as I might.

I understand the board had the tariff revised and drawn up to your own satisfaction?

Mr. ROBERTS: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): And then forwarded it on to the governor in council for approval in the spring of 1956?

Mr. ROBERTS: I did not say it was forwarded to the governor in council for approval. I said I discussed the matter with Mr. Marler, who informed me that there would be a delay in affecting an amendment to the Jacques Cartier bridge toll tariff.

Mr. BROWNE (*Vancouver-Kingsway*): Then what happened to the tariff in the meantime? Did it remain in the hands of the Harbours Board, with no action being taken on it?

Mr. ROBERTS: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): When, again, was any action undertaken to proceed with the revision of the tolls?

Mr. ROBERTS: After the government changed.

Mr. BROWNE (*Vancouver-Kingsway*): So there was nothing done in all that time? The automatic toll gates could not be installed until such time as the tariff—

Mr. ROBERTS: There had to be some assurance as to what the tariff would be.

Mr. BROWNE (*Vancouver-Kingsway*): Why was the tariff not proceeded with?

Mr. ROBERTS: It was a matter of policy.

Mr. DENIS: Are you aware, Mr. Roberts, that in order to have that tariff approved you had to have the approval of the province of Quebec?

Mr. ROBERTS: Yes.

Mr. DENIS: And are you aware whether delay occurred for that reason?

Mr. ROBERTS: I do not presume to know all the reasons for a decision of policy.

Mr. DENIS: Would you say that you could not install this automatic toll system before 1956—in 1955, or in 1954, or in 1953?

Mr. ROBERTS: Yes, that is my information. I think it is according to the evidence given by Mr. Beaudet. It was not available then.

Mr. DENIS: Did you have the opportunity to examine reports of the revenue of the Jacques Cartier bridge?

Mr. ROBERTS: Yes, continuously.

Mr. DENIS: Monthly?

Mr. ROBERTS: Yes.

Mr. DENIS: You had occasion to compare month by month with the previous year?

Mr. ROBERTS: Yes.

Mr. DENIS: Did you see, during your term of office, any increases, abnormal increases or normal increases, in order to render you suspicious that something could happen as far as the toll collection was concerned?

Mr. ROBERTS: Not with respect to the figures.

Mr. DENIS: Would you say that this ordinary investigation of the bridge should be taken into consideration besides the C.N.R. investigation; that kind of checking of the reports and comparing the revenues month by month, or year by year? Was that a kind of investigation that could give you an idea how things were going?

Mr. ROBERTS: Those investigations were made so that we could be as sure as possible that the collections were being effectively taken.

Mr. DENIS: But, if I understand, some friends of mine are thinking that no other investigation took place. I, personally, was referring to revenues month by month and comparing those revenues with the previous years, and that would give you an idea of the normal or abnormal difference in revenue. It could give you an idea whether this toll collection was going on irregularly, or satisfactory?

Mr. ROBERTS: The impression that the figures gave us was that the revenue was going up in accordance with the growth of the municipality and the registrations of motor vehicles.

Mr. DENIS: You said a moment ago that you had under your jurisdiction some other toll bridge, did you not? Did you say that?

Mr. ROBERTS: Yes, in Vancouver.

Mr. DENIS: Did you have to examine the same reports of revenues there?

Mr. ROBERTS: I do not remember any question ever having been raised with regard—

Mr. DENIS: I mean, did you have occasion to compare there?

Mr. ROBERTS: No, there were no investigations there.

Mr. DENIS: I do not mean investigations; but did you have the opportunity to examine the revenue reports?

Mr. ROBERTS: Oh, yes, regularly.

Mr. DENIS: Did you find any difference between the degree—or, the difference of increases, comparing that bridge with the Jacques Cartier bridge?

Mr. ROBERTS: Well, you are comparing unlike things; but the trend was continuously upwards.

Mr. DENIS: Yes; but was it continuously upwards around the same scale?

Mr. ROBERTS: No, I did not say that—because you have altogether a different situation. We felt that so far as financial figures would indicate, the trend of increase in revenue on the Jacques Cartier bridge was in accordance with what we would have expected from studying all the data that was available.

Mr. DENIS: Did you have the opportunity to visit, or to examine some other kind of toll bridge in Canada? Are you aware of other toll bridges that exist in Canada?

Mr. ROBERTS: The only one I investigated was the First Narrows bridge, privately operated at that time, in Vancouver.

Mr. DENIS: Did you see any difference in the way of their toll system—money and toll system?

Mr. ROBERTS: They had somewhat the same system as we had on the Jacques Cartier bridge, with commutation tickets which had to be punched. But they had, in addition, a cash register system, where they rang up the amount of the fare.

Mr. DENIS: Thank you.

Mr. McPHILLIPS: Mr. Roberts, I just want to clear up one little point. At the commencement of your evidence I think you said you were with the port authority in Montreal before the National Harbours Board was—

Mr. ROBERTS: Just the year previous.

Mr. McPHILLIPS: Was that when it was under the harbour commission?

Mr. ROBERTS: Yes; I was a member of the Montreal harbour commission.

Mr. McPHILLIPS: 1934?

Mr. ROBERTS: 1935 to 1936.

Mr. McPHILLIPS: During your time as chairman of the board, were you aware of the practice whereby trucking operators that used the bridge a lot were encouraged to buy tickets in advance?

Mr. ROBERTS: I was so informed by the port manager.

Mr. McPHILLIPS: Did you get any detail from him in regard to that, as to the amounts they were buying per month?

Mr. ROBERTS: I cannot speak from my memory on that, but I was told that it was a trend because these firms thought it was the safer way to secure their own revenue, if you like—their own expenses.

They preferred to buy the tickets rather than to take the statements of the truck operators that they had paid so much toll.

Mr. McPHILLIPS: In other words, it was safer for you too, because, of course, those funds did not pass through the hands of toll collectors?

Mr. ROBERTS: That is right.

Mr. McPHILLIPS: All right, thank you.

The CHAIRMAN: Are there any other questions of Mr. Roberts?

Mr. FISHER: If I repeat a previous question, perhaps you would tell me, Mr. Chairman. Mr. Roberts, I want to ask you some questions about your

relationship in the structure you were talkin' gabout. You made a point, I think, that you were at a certain level in the National Harbours Board structure; the port manager was below you, and he was completely responsible for the administration?

Mr. ROBERTS: For local administration, subject to policy.

Mr. FISHER: I want to ask you questions on your responsibility to the minister. How did the minister, in your experience—and I know it to be very considerable—take care of his responsibility, in so far as checking your operations with those of your associates on the board?

Mr. ROBERTS: That is rather a difficult question for me to answer. Usually the chairman of the board—it depends upon the minister a good deal; but at certain times the chairman of the board attended on the minister, more or less regularly, where matters were discussed, and to whom was brought various documents that required the minister's approval. In connection with leases, he had to sign the report of counsel and the terms of the lease. And there was the question of the approval of budgets. They would discuss the program of work—everything of that nature.

But I think what you are getting at—I know what you are getting at, and I think this is the answer. In so far as details of administration were concerned, we were under no obligation to go to the minister, nor was he likely to intrude unless he had some reason to feel that some matter had been brought to his attention which he would like to discuss and bring to our notice.

Generally speaking, a crown corporation runs the detail of its own administration, and we on our part would not bring a detail to the minister's attention, nor would he, unless he had some reason, from his general interest in public administration, approach us on any matter; in other words, checking as to how we were going along, and the detail of collection of revenue on the Jacques Cartier bridge, or collection of dock wharfage, or anything of that nature.

Mr. FISHER: I have one minor point here. Your relationship as the harbours board chairman was directly to the minister, rather than through the deputy minister?

Mr. ROBERTS: I had nothing to do with the deputy minister. The minister, by the act—if you look at the act, it says, "there shall be a board under the direction of the minister".

That is a provision of the National Harbours Board Act. So we were subject to his directions. But we were competent, or supposed to be competent, to look after the detail of administration and would not bother him with it; nor would he bother us, unless he had some reason, in the general public interest, to bring matters to our notice.

Mr. FISHER: In your experience with the board did you ever at any time—and I use a loaded word—receive interference from ministerial direction in your activities in so far as they applied to Montreal harbour?

Mr. ROBERTS: I would not think that if under the power given in the act, a direction from the minister would be considered to be interference.

Mr. FISHER: I meant in the administration of the Jacques Cartier bridge?

Mr. ROBERTS: No, all the ministers I have worked for have been wonderful people and very cooperative with the officials.

Mr. FISHER: Somewhat like members of parliament. You stated that you were a very suspicious man where the handling of money was concerned.

Mr. ROBERTS: Yes, from experience.

Mr. FISHER: Was this view shared by your colleagues on the board, and was there one member of the board, perhaps yourself, who would be especially charged with this interest?

Mr. ROBERTS: Well, the directions that we had from the Minister of Transport when we were first appointed was that we were to work at our jobs, and it was expected that we would divide the field, as far as our immediate interests were concerned, according to our qualifications. But the board itself was responsible as a whole for the administration of the national harbours.

Mr. FISHER: I believe you have been associated with the National Harbours Board right from the beginning of its history, and that you had the longest association with it. Is that correct?

Mr. ROBERTS: Yes.

Mr. FISHER: During the time of your long association with the board did you ever bring anything in relation to the operations of the Jacques Cartier bridge to the attention of the minister which might be considered as a criticism of the methods used?

Mr. ROBERTS: I do not remember any except that in 1956 I approached Mr. Marler, telling him of our decision with regard to the installation as soon as possible of automatic methods of collection.

Mr. FISHER: Is it fair to say then that in your entire experience you were quite satisfied with the operation of the Jacques Cartier bridge?

Mr. ROBERTS: I would not say that I was quite satisfied. I would say that under the kind of tariff we had, and with the means at our disposal, we were endeavouring to secure the revenue as much as was humanly possible to do so, having regard to human frailties. You have to keep your eyes open for them.

Mr. FISHER: You feel that during your particular stay with the board you did keep your eyes on this situation as much as it was possible for you to do so as administrator?

Mr. ROBERTS: With the time at my disposal I gave a lot of thought and considerable advice to the port managers to keep on the alert.

Mr. FISHER: That would be to Mr. Murphy as criticism, and to Mr. Beaudet too.

Mr. ROBERTS: Yes.

Mr. FISHER: With all three of them you emphasized this point?

Mr. ROBERTS: Yes.

The CHAIRMAN: Are there any other questions of Mr. Roberts. If not, Mr. Roberts, I want to thank you for your cooperation. You have had a hard day.

Now I am going to ask Mr. Poole, who has been sitting here all day waiting to give his evidence; and I shall ask the clerk of the committee to swear Mr. Poole.

Mr. ALFRED POOLE: (*former Supervisor of Toll Collectors, Jacques Cartier Bridge*), SWORN.

The CHAIRMAN: Now, gentlemen, we have Mr. Poole before us.

This morning Mr. Murphy in his report said that the supervisor of toll collectors, Mr. A. Poole, addressed his report or inquiries to the port manager; but that under the established procedure the report was first referred to the port secretary or alternatively to the assistant port manager for review or recommendation.

Are there any questions you wish to ask Mr. Poole?

Mr. Poole wrote me a letter which reads as follows:

April 10th, 1960.

Mr. Gordon Fraser, M.P.
Chairman of Commons Railway Committee,
Ottawa, Ontario.

Sir:

I am writing to you to clarify the misleading report of the testimony of Messrs. G. Beaudet and J. A. Clement concerning my retirement as it appeared in the Montreal Star postscript edition of April 7th, 1960.

I should like it made known that I was eligible for retirement on June 15th, 1959, having completed 35 years of service with the National Harbours Board, being at that time 61 years of age. I retired completely of my own volition at 61 years of age, when the position of supervisor of toll collections was to be abolished in September of 1959 and I did not wish to accept the comparable position of toll captain which had been offered to me.

It should also be made known that on three occasions from 1955 to 1959 I requested a transfer to any other position with the National Harbours Board, because of my continuing failing health. As you are aware, these requests apparently were not given any consideration.

I also fail to understand why Mr. Clement reportedly considered me unsuitable for the position which I held, as on one occasion in April of 1959, I was requested by him to postpone my compensatory leave in order to implement the new toll tariffs which came into effect on April 1st, 1959. As government regulations required that this type of leave be taken prior to April 30th, special consideration was given in allowing me to take this leave at a later date. I believe this illustrates at least one occasion in which he, Mr. Clement, considered me suitable for the position.

To further illustrate that I was capable of my position, I am attaching a copy of a memorandum which I sent to Mr. Clement on May 13th, 1958. You will note that I then advised him of a need to change the method of collecting Victoria bridge tokens, and that I suggested a system for correcting the situation. The memo was not acted upon, nor was the suggestion implemented until the late spring of 1959.

I trust that the foregoing has clarified the reason for my retirement and somewhat established that I was suited for and capable of my position. However, there are aspects concerning the manual collection of tolls, in which I feel your committee would be interested, and I am willing to testify if your committee so desires.

Yours very truly,

(Signed) A. Poole.

A. Poole,
150 Regent Ave.,
Beaconsfield, Quebec.

Now, are there any questions?

Mr. DRYSDALE: When did you first come with the National Harbours Board, Mr. Poole?

Mr. POOLE: On June 1, 1924.

Mr. DRYSDALE: What was your position then?

Mr. POOLE: Foreman-chauffeur.

Mr. DRYSDALE: And when did you come to the Jacques Cartier bridge?

Mr. POOLE: On June 1, 1946.

Mr. DRYSDALE: What was your capacity at that time at the Jacques Cartier bridge?

Mr. POOLE: Supervisor of toll collectors.

Mr. DRYSDALE: What type of work had you been doing before that which would qualify you for that position as supervisor of toll collectors?

Mr. POOLE: The fact that I was very familiar with vehicles, for one thing, and more or less familiar with traffic.

Mr. DRYSDALE: What was the nature of your job as supervisor of toll collectors on the Jacques Cartier bridge?

Mr. POOLE: To see the proper tolls were collected.

Mr. DRYSDALE: Could you then perhaps give a brief description of, shall we say, a typical day's operations as supervisor of toll collectors?

Mr. POOLE: Well, as supervisor of toll collectors I naturally had the duty to see that the men followed regulations and also directives issued by the port manager and the superintendent later, and I would make up working schedules to make sure the men were in the right place at the right time, and supervise both ends of the bridge.

Mr. DRYSDALE: You stated in your letter you would be glad to explain the system of manual toll collections. Perhaps you could do so now?

Mr. POOLE: What I have in mind is that the stress has been on the toll collections. There was another major problem as well, which pertained to traffic. There might have been laxity on the part of, perhaps, supervisors in not directing the collectors not to detach their tickets, to close their eyes to it at certain times of the day, except at peak hours. There may have been laxity in that direction in the interest of moving traffic. In other words, we have to keep the traffic moving.

Mr. DRYSDALE: As a supervisor of toll collectors did you have an immediate check on the individual men? Could you ascertain that there was any money going astray?

Mr. POOLE: The only way I could do that was to see him taking it.

Mr. DRYSDALE: Did you ever see anybody taking any money?

Mr. POOLE: I never did.

Mr. DRYSDALE: From the first period—from when?

Mr. POOLE: From 1946.

Mr. DRYSDALE: You did not see anybody taking any money right back from 1946?

Mr. POOLE: For the whole period from 1946 I never saw anybody taking any money. If I had he would not have been there long.

The CHAIRMAN: Mr. Fisher, please do not go. We would like to clean this up this afternoon. All right, Mr. Drysdale.

Mr. DRYSDALE: What was your method of checking to ascertain that none of the money went astray?

Mr. POOLE: There were several protective measures that were taken.

Mr. DRYSDALE: Could you list those for us?

Mr. POOLE: Let us call them protective measures. For instance, there were the spot checks which we used—take the man right clean off the stand, bring him into the office and check right from there. They would empty their pockets and from there we would make up their reports and a copy of that report was sent on to the head office. We have been doing that spot-checking on the collectors since 1947 or 1948, but we never bothered, unless we found anything

that was wrong, reporting it to the office. But in 1956, I think—it could be 1957—the bridge superintendent asked us to send every report which we made down to the office to be filed.

Mr. DRYSDALE: Did you know when a Canadian National Railways investigation was going to be made?

Mr. POOLE: Oh, God, no.

Mr. DRYSDALE: Did your immediate superior know when? Who was your immediate superior?

Mr. POOLE: My immediate superior was the superintendent of bridges.

Mr. DRYSDALE: Did he know?

Mr. POOLE: I can't tell you that.

Mr. DRYSDALE: But you were unaware as to when an investigation was to be conducted?

Mr. POOLE: We didn't know.

The CHAIRMAN: Any other questions of Mr. Poole?

Mr. BROWNE (*Vancouver-Kingsway*): On these spot checks that you mentioned, did the toll collectors know, was it done at the same time he was coming off a shift?

Mr. POOLE: I didn't know myself, sir. I would go over across the bridge and I would turn around and see a slack period in traffic, or something like that, and I would say, "I think I will check this man." I didn't even know when I was going to do it myself. Then I would take him right off the toll booth, bring him right into the office, and check him from there.

Mr. BROWNE (*Vancouver-Kingsway*): I understand that as supervisor it was your responsibility to see that the regulations were complied with?

Mr. POOLE: That is right, sir.

Mr. BROWNE (*Vancouver-Kingsway*): And that each one of the toll collectors was carrying out his duties properly. In the Canadian National Railways investigation of September 1952 there were 75 crossings of the bridge made by investigators and they found 58 infractions of the regulations, one way or another. Was that brought to your attention at that time?

Mr. POOLE: I do not believe it was, sir, but I stand to be corrected on that. I do not recall.

Mr. BROWNE (*Vancouver-Kingsway*): When the Canadian National Railways made an investigation were you made aware of the fact that there had been infractions?

Mr. POOLE: The only one I got was the last one in 1958.

Mr. BROWNE (*Vancouver-Kingsway*): From 1946 until 1958 nobody ever made any complaint to you as supervisor that the toll collectors—

Mr. POOLE: Oh, I used to get complaints all the time about the toll collectors not doing their work, and everything like that.

Mr. BROWNE (*Vancouver-Kingsway*): Who would make those complaints?

Mr. POOLE: The port manager would probably go over the bridge and see some kind of infraction and report it to me; the superintendent of bridges would go across the bridge and report something to me.

Mr. BROWNE (*Vancouver-Kingsway*): To what extent? Were you told that there was some very serious infraction?

Mr. POOLE: No, they were of a minor nature. For instance, perhaps the collector was smoking on the stand or probably a Coca-Cola bottle or something like it was around the stand, which was against regulations.

Mr. BROWNE (*Vancouver-Kingsway*): Was it brought to your attention that on many occasions they were not handing out cash receipts?

Mr. POOLE: It was never brought to my notice.

Mr. BROWNE (*Vancouver-Kingsway*): You never had a specific complaint come to you at all that the toll collectors were not handing out a cash receipt?

Mr. POOLE: Oh, yes, I beg your pardon, back in 1951 or 1952—could have been earlier, I just forget, but I do remember one incident where a collector did not give a receipt to a truck that passed over. On Monday morning it was reported to me. I investigated and in the meantime the collector had resigned before his case could be reviewed. I think it was around 1952.

Mr. BROWNE (*Vancouver-Kingsway*): There was an investigation here, the evidence shows, in 1957, which made some 100 crossings of the bridge and in 90 cases no receipts for cash were issued. Was that brought to your attention specifically, that there was a tremendous number during that investigation?

Mr. POOLE: Not until about a month or two later.

Mr. BROWNE (*Vancouver-Kingsway*): When did you retire from the bridge?

Mr. POOLE: September 1, 1959.

Mr. BROWNE (*Vancouver-Kingsway*): Then you must have felt quite concerned when this was brought to your attention, that that huge number had failed to issue cash receipts. What specific action did you take?

Mr. POOLE: Indeed we were very concerned, but there was nothing we had not already done in a protective way that I could do. There was a terrific lot of repairs and operations going on at the bridge at the time. They were opening up a new lane, and back in 1959 the National Gas Company were putting pipes underneath the bridge, and everything else. It was very, very difficult to really maintain a 100 per cent degree of supervision.

Mr. BROWNE (*Vancouver-Kingsway*): I can understand that, but when 100 crossings are made and in 90 of the crossings there have been infractions of the regulations I would think there was almost no supervision going on at this time. What explanation did the toll collectors offer to you for failing in so many instances to comply with the regulations you were to enforce?

Mr. POOLE: If you are referring to 1957—

Mr. BROWNE (*Vancouver-Kingsway*): In March of 1957, March 16, 1957, it has been reported to us that there were 100 crossings of the bridge made by investigators. In 90 cases no receipts for cash were issued by the collectors, in 88 cases the toll collectors did not request payment of fares for passengers.

Mr. POOLE: I think disciplinary action was taken in that case, and four men dismissed.

Mr. BROWNE (*Vancouver-Kingsway*): But what explanations generally were given to you by collectors when it was brought to your attention that they were not supplying cash receipts?

Mr. POOLE: I used to get on an average about 10 or 15 calls per day, that is, on my particular shift, which would run between half-past eight and half-past five or six o'clock, and I used to get about 10 or 15 calls from collectors, either on the south side or the north side, telling me to intercept a certain truck that would give him less money than what he was supposed to pay.

Now, these fellows used to turn around and give it to him in coppers, nickels and dimes and, by the time the collector counted it, he found out he had 90 cents instead of \$1.50. But the truck would be gone. The only alternative he had was to call the north side and we, in turn, notified our police department, who would send out a patrol car to intercept them.

Mr. BROWNE (*Vancouver-Kingsway*): Did you make reports to your superior in writing at all on the operations there, or did you report to them at any time you felt the toll collectors were not efficient in their collection of tolls?

Mr. POOLE: No, but their reports used to go in every month. We used to have a system of daily reports on each collector who was working, and at the end of the month each of those reports were compiled into one big one, and a copy of that was sent to the head office.

Mr. BROWNE (*Vancouver-Kingsway*): You personally never noticed that the toll collectors were not handing out receipts for cash which they were taking in, and make a specific report on that?

Mr. POOLE: I have never seen a collector not handing out receipts. Naturally, if I was there, they would hand them out. But I have never seen a collector not handing out a receipt—outside of a car that runs away quick, and he would hand a receipt—throw it—and it would fall on the ground.

Mr. BROWNE (*Vancouver-Kingsway*): But nothing came to your attention, which you were able to put your finger on, to say that any particular operators were not complying with the regulations?

Mr. POOLE: Where I could accuse a man outright, and say he did not give a receipt, no sir.

Mr. BROWNE (*Vancouver-Kingsway*): What about the several infractions of the regulations—taking detached tickets, and so on?

Mr. POOLE: Outside of the laxity of detached tickets—and I think, perhaps, I was lax in that—but it was in the interest of the public because, at certain hours, you have cars that are piling up on you, from 4.15 in the afternoon until about 5.45. Everybody who comes up to that toll booth has a chip on his shoulder because he is twenty cars back, and has to wait. If he had insisted, on that bridge, between the peak hours—and we did try it about five years previous, and we had traffic piled up as far as Sherbrooke street, and police came down to find out what was wrong.

Mr. BROWNE (*Vancouver-Kingsway*): Had you ever heard any of the stories going around about the toll collectors, and the way they were living beyond their means, apparently, in some instances?

The CHAIRMAN: I do not think you should get into that.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Beaudet told us he had heard some of these stories, and I was only referring to those particular stories, and wondering if Mr. Poole had, perhaps heard the same ones.

Mr. POOLE: Well, we hear a lot of rumors.

Mr. BROWNE (*Vancouver-Kingsway*): Did you place any credence in these? Did you believe there was anything to them? Did anything else ever come to your attention to indicate they might be true?

Mr. POOLE: No. Some of the rumours I ran down turned out to be not so good.

Mr. BROWNE (*Vancouver-Kingsway*): In all the time that you were supervising, from 1946 to 1959, you never came across anything personally to indicate there was anything wrong, and you never found it necessary to make any report to your superiors?

Mr. POOLE: I did come across several things. I recommended men be dismissed for breach of regulations. I had—I do not know—probably six, seven or eight; I really do not know.

Mr. BROWNE (*Vancouver-Kingsway*): Would those reports be made in writing—

Mr. POOLE: Oh, definitely.

Mr. BROWNE (*Vancouver-Kingsway*):—To your superior?

Mr. POOLE: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): They would be made to whom?

Mr. POOLE: The port manager, up until 1956. From June 1, 1956, or thereabouts, they would be made to the superintendent of bridges. But, prior to that, it would be made direct to the port manager.

Mr. BROWNE (*Vancouver-Kingsway*): And they would be always made in writing?

Mr. POOLE: Definitely.

The CHAIRMAN: Are there any further questions?

Mr. FISHER: I have before me the regulations governing toll collectors, issued on February 26, 1947, and I see in there—judging by the first three or four regulations—

The CHAIRMAN: What page is that on?

Mr. FISHER: Page 323. I see in there you had quite a lot of what I would call administrative responsibilities, in so far as providing toll collectors with the time they would work?

Mr. POOLE: Yes, the working schedule.

Mr. FISHER: And that would involve a certain amount of book work?

Mr. POOLE: Yes.

Mr. FISHER: Where did you carry that work on?

Mr. POOLE: At the north side of the office administration building.

Mr. FISHER: How much time did that type of work take?

Mr. POOLE: I suppose I had probably two hours paper work in a day—and that is in an eight-hour day.

Mr. FISHER: And the rest of your day was free for supervision?

Mr. POOLE: Yes, for going up and down across the bridge.

Mr. FISHER: You have given an indication that this question of detached tickets was usually breached to serve the public, in order to get traffic through. You did say that?

Mr. POOLE: I did not get your question.

Mr. FISHER: You gave us an indication that one of the regulations that was offended considerably was this one of detached tickets?

Mr. POOLE: That is right.

Mr. FISHER: Did you ever make any recommendations or hold any discussions with your superiors on the possibility of doing away with this regulation?

Mr. POOLE: No, I never did.

Mr. FISHER: Well, here is a regulation that is not being observed—

Mr. POOLE: Could I interrupt you?

Mr. FISHER: Yes.

Mr. POOLE: When I say it was not observed, it was only at certain times of the day. It was not the general rule, nor was a direct order given by me, or any of the other supervisors. Let us say it was tolerated at certain times, but the ruling was not discarded.

Mr. FISHER: But what was the reason behind this particular rule, which you had to waive at certain times?

Mr. POOLE: For detached tickets?

Mr. FISHER: Yes.

Mr. POOLE: Yes. I figured when this rule was put into effect, I imagine the traffic was not as heavy on the Jacques Cartier bridge as it was in the later years. I imagine it was a check against those people who had a book, to make sure the book was proper. Now, in later years we devised a system—the port manager, that is—where we had different colours for each month in order to facilitate the collectors in their work, when receiving a ticket. Should it be presented to him, detached as it were—for instance, we will say the month of January started with red, and it would run for four months; after that, anybody that would present a red ticket, that is out. That facilitated things for the collector, as he would not have to look at the number. But then, on the other hand, before we had the colour, the number of any book that was outdated was posted, notifying the collectors that from this number down do not accept anything.

Mr. FISHER: Were all these steps taken, in so far as the tickets and the books were concerned, because, in your understanding, it was a worry or concern over counterfeit tickets or dummy tickets?

Mr. POOLE: No, I would not say that. I do not think there is any question of counterfeit money.

Mr. FISHER: Not counterfeit money, but counterfeit tickets.

Mr. POOLE: No. I do not think anybody would be silly enough to counterfeit tickets. It would not be worth while, to begin with. I think what the object was, there, is this: "Well, I know you, and you know me; and I have a book, and you are going over the Victoria bridge tonight to visit friends, and here are a couple of tickets." That is all, and no more. Remember, we used to seize anywhere from 10,000 to 12,000 books every year—outdated books; so it shows that even though some of the detached tickets might have been tolerated by me, still the collectors were on their toes in seizing that many books. I would say it would represent around 900 a month.

Mr. FISHER: The tickets were dropped into a mutilating box.

Mr. POOLE: Yes sir.

Mr. FISHER: Did you have any check on that box to see by checking tickets at random whether or not there were any old ones?

Mr. POOLE: Yes; every day. Two or three times a day. Very often a truck would go through and it would go so fast that the collector would not have a chance to give a ticket, so he would drop it in the refusal box which went with the commuter tickets. That fellow would be stopped and he would come back and say "I have paid". He would be asked what happened and he would say "I didn't get a receipt". He would be asked, "which one did you go to." He would say "That one". I would go to the man and say "Do you remember this man", and he would say "No". Then I would open up the box to see if the ticket was there. If it was there that would be an end of it and the driver would admit he went too fast.

Mr. FISHER: During the time you were the supervisor of the tolls how many men did you require the port manager to dismiss because of inefficiency, such as the kind you have just mentioned.

Mr. POOLE: One.

Mr. FISHER: Just one?

Mr. POOLE: Others were disciplined.

Mr. FISHER: What disciplinary measures were at your disposal?

Mr. POOLE: It all depended, let us say, on the crime that was committed, as it were.

It depended on the man. Sometimes it could be carelessness on the man's part, so you would not discipline him as much as if you figured it were gross negligence or a flagrant disregard of regulations, for instance in some cases. I think we dismissed three for flagrant failure to comply with regulations.

Mr. FISHER: I would like to read out to you regulation No. 6:

Collectors must at all times be courteous and polite in their dealing with the public. If a difference of opinion arises between a patron and a collector regarding the fare, the collector must take up the regular fare and refer the patron to the supervisor of toll collectors or his assistant.

How often did this sort of thing happen?

Mr. POOLE: Twenty-five times a day.

Mr. FISHER: It happened that often right until the very end?

Mr. POOLE: No, not until the time I left. When we went on the new tariff and when we discontinued collecting the passenger tickets, from then on it was heaven, but prior to that it was terrible.

Mr. FISHER: We have had the argument put here that not only was there this difficulty with the books in detaching them but also the rule that a fare must be collected for each passenger in a car and that that was very hard to enforce. What were the difficulties there?

Mr. POOLE: A fellow would come up probably with the detached ticket. Sometimes they tore the ticket out. These were perforated like a street car ticket. They put it in the corner of their books and usually they would have passenger tickets also in the corner. Some of these people were trying to chisel.

We had a lot of trouble collecting the passenger tickets, particularly on the south side during the morning hours because on the south shore there are settlements down there composed of people who used to live in the eastern section of Montreal. These men are longshoremen. Their houses have been discontinued and they have all moved out to the south shore. They are pretty hard characters to deal with. The result was we had to get a couple of policemen there from 6 o'clock until 8 o'clock in the morning until these fellows got to work because the collectors' life was not worth a nickle. I am going to tell you we have had instances where these fellows got out of their cars and attacked the collectors. I had an occasion where one of them spat right in the collector's face.

Mr. FISHER: The relations were difficult between the toll collectors and the travelling public.

Mr. POOLE: The longshoremen anyway. I will tell you that.

Mr. FISHER: Was the provision issued by the harbours board in respect of passes ever a difficulty to you?

Mr. POOLE: No; not too much. We just accepted passes. So long as the person showed his pass we took the number and issued a receipt for it and did not question him.

Mr. FISHER: In regulation 7 the collectors were required to tell every one crossing the bridge "Please hold this receipt until you leave the bridge". Was that an easy thing for you to check on? Was this rule observed?

Mr. POOLE: No. That rule, unfortunately, was not observed. During a peak period a good collector will collect an average of eight cars a minute. An ordinary collector will collect on six cars a minute. Can you visualize him repeating "Keep your receipt until you get across the bridge", "keep your receipt until you get across the bridge". At the end of an hour that man's tongue would be about that thick. So the port manager at the time, Mr. Beaudet, I think, realized that it was not perhaps too practicable so that we put up signs about 3 feet by 2 feet. They were in black letters and we placed them right

in front of the stand. On the sign we had what the collector was supposed to tell the person. It was marked on the sign. There was not only one; there was one sign for each stand. We figured "my goodness, that should be enough".

Mr. FISHER: This was another rule that was honoured in the breach more than in the observance technically.

Mr. POOLE: Yes; I would say that.

Mr. FISHER: Regulation No. 8 is as follows:

If a pass or a commutation ticket be presented after date of expiry the collector must collect full fare, take up the pass or commutation book and turn in to the supervisor.

You have indicated until the change in the tariff you would get up to 25 cases a day?

Mr. POOLE: Yes.

Mr. FISHER: Did you keep a record of these cases?

Mr. POOLE: No; unless they were very serious cases where the collector might have been partly in the wrong. In those cases I would get a full report and it would be submitted to the superintendent of bridges for further action.

Mr. FISHER: Here is another regulation, No. 9:

Collectors must issue a ticket for every cash sale and in any instance where the party does not wait for the receipt, the ticket must be detached and the receipt and ticket intact deposited in the mutilating box.

How do you handle a regulation like that when it says "Where the party does not wait for the receipt"? You have the instruction to them to hold them until they leave the bridge and you also have another regulation which says: "In any instance where the party does not wait".

Mr. POOLE: If we can intercept that person we do it and we have done it. We have brought them back and have made them pay. It is on record where I have turned trucks of \$1.60 in the middle of the bridge. I had them turned back by our police and they came back and paid the toll. When we could catch them we did but, unfortunately, we could not catch them all.

Mr. FISHER: Was there not some device or some way you could block it, with some kind of a trip device, the way you have it now, so a car could not get by without a receipt?

Mr. POOLE: No, sir.

Mr. FISHER: Why was this impossible?

Mr. POOLE: Well, I do not know why it was impossible.

Mr. FISHER: You never thought of it?

Mr. POOLE: No, I never thought of it. We had our police department, and we depended on them to intercept anybody we felt should be intercepted.

Mr. FISHER: Each collector, according to regulation 11, is given an advance of \$20 for the purpose of making change; and further down it makes the point that a collector is never to have on his person any of his own money during the shift. How do you check that?

Mr. POOLE: When he came off at 3 o'clock the man emptied his apron and usually his pockets.

Mr. FISHER: What about money he might have taken on the shift?

Mr. POOLE: It did not make any difference. If a man went on with \$20, it was his own mistake, and when he came off there would be \$20 over, and all that would be turned over to treasury.

Mr. FISHER: There was complete supervision of a man coming off?

Mr. POOLE: Yes, that is one thing we did watch.

Mr. FISHER: Who was in charge of the supervision?

Mr. POOLE: I was on the north side, and we even went so far as to alternate the shifts some years ago. At one time we used to have them starting at 7 o'clock and finishing at 3 o'clock on both sides of the bridge. It was pretty hard to supervise, to have a supervisor doing it, but you could send a clerk or someone else like that. Then instead of having them start at 7 o'clock we started them at 8 o'clock until 4 o'clock in the afternoon, and the new supervisor would come on at 4 o'clock and look after it.

Mr. FISHER: Did you ever try any attempts to team the toll collectors up so that you could put cars through faster during rush periods?

Mr. POOLE: No, I used to do the contrary. If I had a slow man and a fast man, I would put the fast man with the slow man because I figured that way the slack on the stand the slow man would lose the fast man would pick up. If you put two fast men together I would have to put two slow men somewhere else.

Mr. FISHER: Did anybody ever approach you to intercede for them, to get them a job as a toll collector?

Mr. POOLE: Pardon?

Mr. FISHER: Did anyone ever approach you, to intercede for them, in order to get a job as a toll collector?

Mr. POOLE: No.

Mr. FISHER: You have never had anyone come to you?

Mr. POOLE: I do not recall anybody coming to me.

Mr. FISHER: Did you have any say in the judgment of those people who were coming to work on the bridge?

Mr. POOLE: Yes, up to a point. First of all, they were interviewed by the superintendent of bridges, at the head office. If he felt there was a likely candidate he sent them up to my office, and I would give them an interview. I would make the candidate pass his test, and talk to him and explain to him the conditions of work, and so on and so forth, before making him pass a test, to find out whether he was interested in the position or not, because some of them have refused. When they learnt the conditions were such they just were not interested.

Mr. FISHER: In other words, your estimate of the job, as a result of this, was it not an easy job?

Mr. POOLE: No, it was a very hard job, sir.

Mr. FISHER: That would make it all the more unusual that people would go seeking this job? That is an unfair question, I am sorry.

Mr. POOLE: No, I would not say that. Let us put it this way: it was a thankless job. You are referring to the collectors' job?

Mr. FISHER: Yes.

Mr. POOLE: It was a thankless job. As far as working conditions were concerned, they were not bad—it was shift work, but you would naturally expect that; but working conditions were good and we treated those men all right.

Mr. FISHER: What were your relationships with the shop stewards' grievance committee? Did you ever have much contact with them?

Mr. POOLE: No. I never came into contact with them. At any time there was any labour dispute that would come up, I would refer it to the head office.

Mr. FISHER: There was no one of the toll collectors or clerk-janitors that job covered by a contract who was a member of the shop grievance committee?

Mr. POOLE: Perhaps I do not get you. Would you tell me what a shop grievance committee is?

Mr. FISHER: According to the terms of the agreement that is signed by the national harbours board and the union, there are, I think, six different categories covered, and one of them is toll collector and janitor at the Jacques Cartier bridge.

Mr. POOLE: Yes.

Mr. FISHER: There is a provision—I believe it is article VI—that there should be a shop grievance committee, and I am curious about whether you had any problem with the grievance man on the job.

Mr. POOLE: There was a fellow there that was appointed—I do not know whether you call him a shop steward or not; but he was appointed there to look after the welfare of the other men, and any grievance or any kicks they had, they would go to him.

Mr. FISHER: He would bring them to you, or to the port manager?

Mr. POOLE: He would bring them to me, and if it was just a minor affair, sooner than let it go any further I would handle it, and that would be that. But if I could not handle it, I would say, "You had better go to the port manager".

Mr. FISHER: What was the incident, or the rate of those grievances?

Mr. POOLE: They varied. There was one particular one there that they used to kick an awful lot about: that was the conditions on the south shore. There was an awful lot of construction going on on the south shore. That is where they were building the new plaza, and we were moving the stands from one place to another. We did not have facilities there that were too good, and they would come to me and say, "We have not got any water; we have not got any toilets. What are we supposed to do?"

We would send them down to the old office, or we put a stairway where they had to go on a route march. I will admit that was not very nice for them. But, at the same time, we used to give them 15, 20 minutes to make the route march.

Mr. FISHER: Were you ever under any pressure yourself, in terms of threats, at any time in so far as toll collection operations were concerned?

Mr. POOLE: In 1958, when we had the trouble where we dismissed eight toll collectors, I was bothered.

Mr. FISHER: You were?

Mr. POOLE: I was bothered, in this way. My telephone kept ringing and I was told, "Don't go to work. If you go to work it is going to be just too bad for you". But I am not the only one who got that; some of the collectors on the bridge got that too. So the next morning I reported it to the superintendent of bridges, and that was that.

Mr. FISHER: Were you aware that after those eight toll collectors were dismissed there was pressure on the toll collectors who remained, to resign?

Mr. POOLE: No, sir, I am not aware of that.

Mr. FISHER: I have one final question. Have you, in your own mind, thought you could give us any explanation as to why the revenues, after the toll machines were put in, have gone up 30 per cent?

Mr. POOLE: All I can give you is my opinion, and maybe that is not—

Mr. FISHER: Well, we have sought opinions from a number of sources. Go ahead.

Mr. POOLE: I do not know what it is worth. I read in the *Montreal Star*, around March 8—I am just going by what I have read now: I do not want anybody to phone me about this, by any means—that there were 45,000 tokens taken daily with the new machine. When I read that, I was amazed. I could not understand it, because we never had, as far as I can remember, at any time more than 36,000 books, commuters' books, in circulation.

These tokens would represent, naturally, books, would they not? If we had 36,000 books in circulation, it does not mean to say that 36,000 of those books would be used every day, so a liberal average would be about 80 per cent—

An Hon. MEMBER: Do not use that word!

The CHAIRMAN: Well, make it a conservative average.

Mr. POOLE: I beg your pardon. The difference between—that would give you somewhere around 28,000, which would give you a difference of about 17,000 cars. That is, commuters. I am suggesting, if the figures that I have read are proper, there are 17,000 cars right away, which represent close to 35 per cent of the increase in traffic.

Now, if you go along with that, it is only natural to assume, if it is so, that your truck traffic will increase as a result. Now, that is probably due—you know we had an awful lot of repairs going on at the bridge, and our traffic was disordered. We had Bailey bridges, and a lot of people who used to use the bridge did not use the bridge; they took trams or buses rather than get jammed up in some of the jams we used to have. It was no fault of anybody, but it just happened.

That is my view of the matter. I do not know what it is worth. Then, another thing which perhaps might have some bearing on it is that in October we dismissed eight experienced men and took on eight able but inexperienced men.

I figure it takes anywhere up to three months to make a collector so that he can manipulate the money in such a way that he can be fast. I figure a man should be able to collect six cars a minute, and that when he is up to that, he is all right.

The CHAIRMAN: Are there any other questions?

Mr. FISHER: Putting more men on the job would not have stepped it up at all?

Mr. POOLE: No sir, it would only have made things worse.

The CHAIRMAN: Are there any other questions? Is there anyone here who wishes to ask a question in French? If not I will let the interpreter go.

Agreed.

Mr. DENIS: Is there any difference between the value of the tickets in the books and the value of the tokens?

Mr. POOLE: Oh yes, two cents. The ticket would represent six cents, and the token would represent eight cents.

Mr. DENIS: You said there how many cars crossing the bridge? And how many tokens? And you said 45,000.

Mr. POOLE: I said 45,000, but that is according to what I read in the papers.

Mr. DENIS: That would be 45,000 times two cents more collected with tokens than with the booklets.

Mr. POOLE: Yes, if the figures are right.

Mr. DENIS: Yes, if the figures are right.

Mr. POOLE: That is right.

Mr. DENIS: That is all.

Mr. BRUCHESI: Could I ask how many collectors you would need to operate the bridge on both sides in 1957?

Mr. POOLE: How many collectors were needed in 1957?

Mr. BRUCHESI: Yes. Were you using the automatic system?

Mr. POOLE: No, I was not there during the automatic system. But with that new lane of traffic open, which was around June, I think—it all depended on the hours. We never had less than three men, and we had broken shifts. We had men come in at six o'clock in the morning until ten o'clock, go home, come back again at four and work until ten, to take up the peak traffic. We used to have broken shifts. We had two broken shifts on the north and two broken shifts on the south. During the peak hours we tried to have five men on the stand all the time.

Mr. BRUCHESI: Five men on each side?

Mr. POOLE: Yes, from four o'clock in the afternoon until nine o'clock, and then the traffic would taper off and we would let the men go gradually. Some quit at eight, nine, ten, eleven and the shift finished at twelve.

Mr. BRUCHESI: You mentioned there were two kinds, slow men and fast men?

Mr. POOLE: Yes.

Mr. BRUCHESI: What was the difference in dollars and cents between a fast man and a slow man?

Mr. POOLE: I cannot tell you that, sir, because I was not bothered with revenue. That is, in dollars and cents in this way: my statistics were how many cars per minute, or how many cars per hour, each individual man was taking in, and if the average was 80 cars for the whole group and somebody had 60 cars, then I wanted to know why that fellow was only bringing in 60 cars for that period—what was he doing, was he loafing, or what was he doing. Sometimes the investigation would turn around and disclose that he missed three days of day shift, which would naturally bring down his average.

Mr. DENIS: Could it have been possible that he might have been in the wrong booth?

Mr. POOLE: That was all taken into consideration, sir, because whenever a daily return was taken it included No. 1 booth, No. 2, No. 3 and both No. 4. Furthermore, the weather conditions were reported, whether the weather was fine, whether it was a week-end, the day, and so on. So that a complete analysis could be made on each of the men who were working. That is where we found the slow men.

Mr. BRUCHESI: Another question. You said when they started their full day of work they were supposed to empty their pockets and go on the job with money supplied by the bridge?

Mr. POOLE: That is right.

Mr. BRUCHESI: Was it possible after the work shift to come back to the booth and render the money, to give some money to somebody else between the booth and the time they are able to empty their pockets into the collection box?

Mr. POOLE: I do not follow that question. You are talking about the \$20 petty cash?

Mr. BRUCHESI: Was it possible for a toll collector to leave the booth, go back to end his four-hour or eight-hour shift and have a chance in the time between to give some dollars to somebody else?

Mr. POOLE: There is always that possibility. We did not keep our eyes glued on the man eight hours a day. You understand what I mean: I had to go to lunch and the clerks had to go to lunch.

Mr. BRUCHEST: Because you mentioned that after the regular hours of his work he was obliged to empty his pockets again and everything, the difference plus or less, was for the bridge?

Mr. POOLE: That is right.

Mr. BRUCHEST: If he had a chance between the booth and you, because you were sometimes collecting back the money and the tickets—

Mr. POOLE: During the course of the eight hours did he have a chance?

Mr. BRUCHEST: Yes.

Mr. POOLE: I suppose he would, yes.

Mr. BOURQUE: Mr. Poole, you said that an average of 45,000 cars crossed the bridge every day, is that right?

Mr. POOLE: That is what I read, sir.

Mr. BOURQUE: In the old way, when you had the tickets, they were six cents?

Mr. POOLE: That is right.

Mr. BOURQUE: They were computed at the rate of six cents?

Mr. POOLE: That is right, sir.

Mr. BOURQUE: And when you put in the tokens they were eight cents?

Mr. POOLE: That is right.

Mr. BOURQUE: That would mean if you have 45,000 tickets a day you would have an increase in revenue of \$900 a day, and you would have an increase of \$27,375 a month from that revenue alone, or \$328,500 a year. Now, I am only thinking about the number of cars. You said that the bridge was under construction and repair. Now, if you take in, for instance, the additional cars that crossed the bridge after the other lane was opened and the bridge was completely finished it would make quite a difference in the revenue, would it not?

Mr. POOLE: I would say so. It would be increased traffic, and increased traffic would be increased revenue. Remember, though, it is only since the new automatic machines have gone in that I am talking about in 1959. In 1959, from September 1959 right back to the first of April we were on tokens. The tickets were still six cents. That is when we changed our tariff.

Mr. BOURQUE: Then normally if you had 45,000 tickets a day, or cars, you would have a normal increase there of \$900 a day, because you were increasing the fare $33\frac{1}{3}$ per cent, from six cents to eight cents, that is correct?

Mr. POOLE: That is right, sir.

Mr. BOURQUE: That would account for a lot of the money that was taken in if based on 45,000 tickets?

Mr. POOLE: That is right.

Mr. BOURQUE: If the cars which crossed the bridge increased also by 25 per cent, then you would have the 25 per cent increase on the ticket, plus the number of cars that passed?

Mr. POOLE: Yes.

Mr. BOURQUE: And that might mean an increase there of possibly \$50,000 a month because, if you have already \$27,375 a month of an increase just by the increase of the token, it would be very easy to say if you increased the cars by 25 per cent, you would also have the full eight cents on 11,250 tickets a day.

The CHAIRMAN: Mr. Bourque, I really do not think the witness would be familiar with the tickets and the income. That would be up to the port manager.

Mr. BOURQUE: The point I wanted to establish was this. Just by the increase of the tickets, you gain \$27,375 a month, and you have another

25 per cent increase in the traffic, because the bridge is completely open, then you would have a full fare of eight cents on about 11,250 cars a day.

Mr. FISHER: But you lose your passenger. If you want to put something else in balance, you lose your passenger revenue, Mr. Bourque. You have lost your passenger revenue. That is one thing. And the second thing is that commuters use their book twice a day.

Mr. POOLE: Yes, usually that is it—twice a day.

Mr. BOURQUE: If you increase your traffic by 25 per cent you would have 11,250 more cars on which you would get the full eight cents, and that would give you another increase to \$900 a day. So, at the end of the year, you would have \$656,000 more revenue, just on that basis.

Mr. POOLE: Mind you, gentlemen, that is my opinion.

Mr. DRYSDALE: Where did you get the 45,000 figure?

The CHAIRMAN: Pardon me, Mr. Drysdale; Mr. Monteith is next.

Mr. MONTEITH (*Verdun*): That is the point I was going to bring up. I think that Mr. Bourque probably does not realize there was a loss of passenger revenue. When the tokens came in at eight cents, there was no more passenger revenue and, in many cases, I imagine the commuters usually loaded their cars up—these people going back and forth to work—and there were a lot of passengers.

Mr. POOLE: No. The trend in the past years, as I have noticed the trend, has been smaller cars and individual lone drivers. The trend has been like that, for me, for the last couple of years. That is what I have noticed.

Mr. MONTEITH (*Verdun*): I just have a couple more questions. You mentioned that some of the collectors were threatened. Did any of the collectors tell you that they were threatened?

Mr. POOLE: No sir. Oh, wait a minute; yes. Yes, they did. When we had that trouble the remaining collectors who stayed—were retained, as it were—they were telephoned at home, and say: don't go to work or else, you know. Well, as I say, that passed off. I mean, there was nothing to that.

Mr. MONTEITH (*Verdun*): The object of these threats was, more or less, to probably create a strike.

Mr. POOLE: Yes, either that, or disrupt the organization, probably.

And then I think it was a short while after that that one collector came to me and told me that somebody was trying to extort money from him, so I immediately referred the case to Mr. Clement.

Mr. MONTEITH (*Verdun*): Could it be possible that counterfeit receipts could be put in circulation?

Mr. POOLE: No, I do not think so. No, I cannot believe it, because the collector would have to handle those tickets, would he not? Now, the supervisor is going around supervising these men. He just is not looking at space; he is looking at the boxes to see what kind of tickets he has, and if he would have any counterfeit money in his box—well, my goodness, he is really in trouble.

Mr. DENIS: How many shifts of toll collectors did you use to have?

Mr. POOLE: Well, we had three regular shifts—seven to three, three to eleven—

Mr. DENIS: Did you use to change their working hours?

Mr. POOLE: Yes, every five days.

Mr. DENIS: And did you have the opportunity to check the returns of the different shifts working during the same period?

Mr. POOLE: Yes. This is where these comparative figures came in.

Mr. DENIS: Did you compare those?

Mr. POOLE: Yes.

Mr. DENIS: Let us say for the same Friday or the previous Friday.

Mr. POOLE: They were compiled every month. Every three months the way the work is scheduled every man has completed the circle. In other words he had worked the same number of Sundays, Mondays, Saturdays and so on and a record was kept of that.

Mr. DENIS: So shift No. 1 at a certain period of time returned so many dollars and the second shift working at comparatively the same time would return so many dollars.

Mr. POOLE: I beg your pardon. I didn't bother about dollars. I bothered about vehicles.

Mr. DENIS: Is there any difference between the number of vehicles if you look at the returns of the first, second or third shift?

Mr. POOLE: Yes. Every month there would be six men who were lower than the average because those six men worked two night shifts.

Mr. DENIS: You did not have any occasion to compare exactly the same kind of work at the same time of the week to see, for instance, if one shift could be wrong or if there might be one shift you would be suspicious of retaining some money?

Mr. POOLE: You mean Monday of this week and Monday of next week?

Mr. DENIS: Yes; if it is comparable.

Mr. POOLE: No. I did not do that.

Mr. BROWNE (*Vancouver-Kingsway*): I do not have a question to ask Mr. Poole. I wish to ask for some further information in respect of the Victoria bridge. Mr. Fisher has raised a question on passengers.

The CHAIRMAN: Wait a minute. Are there any further questions of Mr. Poole?

Mr. DRYSDALE: Mr. Bourque was making certain calculations on figures Mr. Poole had of 45,000 in the *Montreal Daily Star*. Because it is published in the *Star* I do not say it is inaccurate, but I think we have certain evidence at pages 270 and 309 where the revenue from tolls is set out. I think it would be better if we had this information. I say this with respect to Mr. Poole. I am afraid Mr. Bourque may be pyramiding the figures without establishing the correctness of the 45,000.

Mr. DENIS: Is there anybody who could give us more accurate figures?

Mr. DRYSDALE: Than the *Star*?

The CHAIRMAN: Please address the chair.

Mr. DENIS: Is there any other way to figure this difference between tokens and tickets? Did you say a moment ago that a lot of your customers were lone wolves?

Mr. POOLE: Yes.

Mr. DENIS: So that the money we could have lost by having the passenger pay should be to the minimum—or the maximum, or whatever you say. You are under oath.

The CHAIRMAN: Any other questions of Mr. Poole? If not, we will let Mr. Poole go.

Thank you, Mr. Poole, for being a very good witness.

Before you go gentlemen, Mr. Browne has one question to raise.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Fisher has raised, on a number of occasions, the number of passengers going across the Jacques Cartier bridge, and has not been satisfied with the trend established there.

I was hopeful, when we got a statement from the Victoria bridge, we would be able to compare their number of passengers going across. That is not included in this information we have.

The CHAIRMAN: It was not asked for.

Mr. BROWNE (*Vancouver-Kingsway*): I wonder if we could get it?

The CHAIRMAN: I doubt if we can get it now before Thursday.

Mr. BROWNE (*Vancouver-Kingsway*): Perhaps they could make it available on Thursday?

The CHAIRMAN: Perhaps that might be possible.

Thank you gentlemen.

The meeting is adjourned. On Thursday morning, at 9.30, we will have Mr. Côté and Mr. Henderson before us. Thank you.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANAUX ET LIGNES TÉLÉGRAPHIQUES

(Page 919)

M. PIGEON: Seulement quelques questions.

M. PIGEON: Vous avez été "appointé" sur la recommandation de quelle personne, comme gérant du port de Montréal.

M. PIGEON: Vous n'aviez eu aucune interview au préalable avec le ministre du Transport du temps?

M. PIGEON: Est-ce que, durant votre terme d'office, vous avez déjà fait des suggestions au ministre, pour améliorer le système de perception?

(Page 933)

M. PIGEON: Durant votre terme d'office, est-ce qu'il est possible d'avoir la liste de ceux qui étaient préposés au balayage du pont?

M. PIGEON: Est-ce que c'est confidentiel, ou si ça peut être rendu public?

M. PIGEON: Encore une fois, est-ce qu'il est possible d'avoir les noms et addresses, (durant l'année, durant votre terme d'office,) de ceux qui étaient préposés au balayage?

(Page 934)

M. PIGEON: Monsieur Beaudet, d'abord, je ne croyais jamais avoir le plaisir de vous entendre de nouveau. Croyez-vous qu'il soit possible d'avoir la liste que j'ai demandée?

M. BEAUDET: Je regrette de ne pouvoir être en "position" de vous dire si cette liste peut être produite ou non. Quoique je m'excuse d'avoir à..... Si vous me le permettez, j'aimerais faire une remarque à ce sujet. Ce matin, je me suis rendu compte que, "sous" motion, le comité a accepté de ne pas donner les noms des percepteurs au pont Victoria. Pourquoi le Conseil des ports nationaux serait-il obligé de donner d'autres noms?

(Page 935)

M. JOHNSON: Parce que le comité va en décider, monsieur Beaudet.

M. BEAUDET: Je suis entièrement à la disposition du comité pour produire ce qu'il veut. C'était simplement une remarque de ma part.

M. PIGEON: C'est superflu de votre part puisque, monsieur Beaudet, je voudrais avoir le nom des balayeurs du pont Jacques Cartier, parce que je croyais qu'eux ramassaient les reçus; c'est un autre genre de perception.

M. BEAUDET: Si, toutefois, ces noms doivent être "produits", j'aimerais connaître la période spécifique. Parce qu'il y avait... parmi les balayeurs du pont il y aura un grand nombre de noms à "produire".

M. PIGEON: Et aussi est-ce qu'il serait possible d'avoir les recommandations qui ont été faites, le nom des personnes qui ont recommandé les balayeurs?

M. BEAUDET: Avant 1952? Comme je l'ai déjà dit dans mon témoignage, ces lettres ont été détruites.

M. PIGEON: De 1952, en "montant", est-ce que vous avez en mémoire qu'avant 1952 des membres du Parlement ont recommandé à votre attention d'employer des balayeurs?

M. BEAUDET: Non.

M. PIGEON: Je tiens à vous faire remarquer, monsieur Beaudet, également, que je demanderais les mêmes renseignements concernant le pont Victoria.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960



STANDING COMMITTEE

ON

**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Chairman: GORDON K. FRASER, ESQ.

PROCEEDINGS

No. 16

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

THURSDAY, MAY 12, 1960

WITNESSES:

Messrs. Lionel Côté, Assistant General Solicitor; L. J. Henderson, General
Manager of Road Transport; and L. J. Mills, Comptroller; all of
Canadian National Railways.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

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ON
RAILWAYS, CANALS AND TELEGRAPH LINES

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Asselin,	Dumas,	Monteith (<i>Verdun</i>),
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Baldwin,	Garland,	Payne,
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Cadieu,	MacLean (<i>Winnipeg</i>	Thompson,
Campbell (<i>Stormont</i>),	<i>North Centre</i>),	Tucker,
Campeau,	Martin (<i>Essex East</i>),	Valade,
Chevrier,	Martini,	Wratten—60.
Chown,	Michaud,	
Creaghan,	McBain,	
Crouse,	McDonald (<i>Hamilton</i>	
Denis,	<i>South</i>),	
Deschatelets,	McGregor,	

Eric H. Jones,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, May 12, 1960.

(28)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Allmark, Baldwin, Bell (*Saint John-Albert*); Bourget, Browne (*Vancouver-Kingsway*), Chown, Drysdale, Fisher, Fraser, Horner (*Acadia*), Howe, Johnson, MacLean (*Winnipeg North Centre*), Martin (*Essex East*), Martini, McDonald (*Hamilton South*), McPhillips, Monteith (*Verdun*), Pascoe, Pigeon, Rapp, Rogers, Smith (*Calgary South*), Smith (*Lincoln*), Thompson and Wratten—(26).

In attendance: Messrs. Lionel Côté, Q.C., Assistant General Solicitor; L. J. Henderson, General Manager of Road Transport; L. J. Mills, Comptroller; and Walter Smith, Ottawa Executive Representative, all of the Canadian National Railways; Mr. Maurice Archer, Chairman, National Harbours Board; and Dr. P. M. Ollivier, Law Clerk, House of Commons.

The Committee resumed its consideration of the toll-collection operations at the Jacques-Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

The Chairman announced the witnesses, whose attendance had been arranged for the next two meetings, namely, on Tuesday, May 17th, Hon. George Hees, Hon. George C. Marler, and Hon. Lionel Chevrier; and on Thursday, May 19th, Mr. Robert K. Smith. The Chairman pointed out that in the case of Mr. Smith, as he would be entitled to claim the expenses of his attendance, a motion in regard to him was required. Thereupon, on motion of Mr. Chown, seconded by Mr. McBain,

Resolved,— That Mr. Robert K. Smith of Waterloo, Ontario, be summoned to appear before the Committee on Thursday, May 19, 1960.

(NOTE: Pursuant to a resolution on May 10th the six documents regarding the revenue of the Victoria Bridge, which were produced at that meeting, are printed at Appendix "A" to the proceedings of this day).

The interpreter, Miss Paulette Cyr, continued to be under oath.

On the toll-collection operations at the Victoria Bridge Messrs. Côté and Henderson were again called, being still under oath. Mr. Côté tabled a document comprising 16 pages of detail of tariff of tolls which had been requested at the meeting on May 5th. The Committee agreed that the said details be printed as an appendix to the proceedings of this day. (*See Appendix "B" hereto.*)

Mr. Côté also produced a table of detail of vehicle crossings over the Victoria Bridge by months for the years 1957 to 1959 inclusive, which had been asked for on May 5th. It was agreed that the said table be printed as an appendix to the proceedings of this day (*See Appendix "C" hereto.*)

Mr. Côté read a press release made on February 12, 1960, by the Director of Public Relations, Canadian National Railways, regarding toll-collections on the Victoria Bridge.

Messrs. Côté and Henderson were questioned.

At 10.55 o'clock a.m. Mr. Fraser temporarily vacated the chair, which, by agreement of the Committee, was assumed by Mr. Bell (*Saint John-Albert*). At 11.12 o'clock a.m. Mr. Fraser resumed the chair.

During his examination Mr. Côté produced a table of Victoria Bridge Toll Revenues by months for the years 1957 to 1959 inclusive. It was agreed that the said table be printed as an appendix to this day's proceedings. (*See Appendix "D" hereto.*)

Mr. Mills was called and was sworn; he was questioned.

During the examination of the witnesses a table of Annual Passes issued over Victoria Bridge for the years 1958 and 1959 was produced, copies thereof being distributed to members present. It was agreed that the said table be printed as an appendix to this day's proceedings. (*See Appendix "E" hereto.*)

The Committee agreed that the C.N.R. officials who had been witnesses this day should again be before the Committee on Thursday, May 19th. The three said witnesses were retired, subject to their recall.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings.

At 11.40 o'clock a.m. the Committee adjourned until 9.30 o'clock a.m. on Tuesday, May 17, 1960.

Eric H. Jones,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, May 12, 1960.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

We are discussing the Victoria bridge this morning, and we have with us Mr. Côté and Mr. Henderson here as witnesses.

First, I just want to mention that on Tuesday next, the Hon. Lionel Chevrier, the Hon. George C. Marler and the Hon. George Hees will be our witnesses.

We expected to have the Rt. Hon. C. D. Howe and the Hon. Mr. Justice Michaud but, owing to the fact that they have other things on, which they cannot leave—the judge has some cases before him—and for one reason or another they cannot come at the present time—we are going to try to make arrangements for Mr. Howe to come on May 31, and the Justice from June 14 to 23—that is, if it is agreeable to the committee, and if they want to have them appear as witnesses.

We expected Mr. Robert K. Smith on Thursday, May 19, and his appearance has been arranged for that date. Mr. Smith could not come on May 17, as he has not been well, and he is moving.

I would like a motion from the floor, asking for the appearance of Mr. Robert K. Smith. He was suggested as a witness by Mr. Chevrier.

Mr. CHOWN: I will so move.

Mr. MCBAIN: I will second the motion.

The CHAIRMAN: All those in favour? Are there any opposed?

Mr. BOURGET: Would you repeat the date on which Mr. Howe and Mr. Michaud are coming.

The CHAIRMAN: We are not quite sure, but we expect Mr. Howe to be free for May 31, and Mr. Michaud, at any time between June 14 and 23.

However, we can bring that up later at one of our other meetings.

Mr. WRATTEN: Do you think we still will be here on June 23?

The CHAIRMAN: I hope not. I hope we finish this month.

The Canadian National Railways officials, whom we have here at the present time are still under oath.

Mr. Côté and Mr. Henderson are here, representing the Canadian National Railways.

I believe Mr. Côté has some papers to table.

Mr. Lionel CÔTÉ, Q.C., (*Assistant General Solicitor, Canadian National Railways*): First of all, Mr. Chairman, I would like to table a compilation of

the changes in the tariff of tolls on the Victoria bridge from 1900 to 1960. Reference is made to this document at page 854 of the transcript, proceedings No. 14.

The CHAIRMAN: Is it agreeable that these be printed as an appendix to today's proceedings? Are there any opposed? They will be printed. (See Appendix "B" hereto.)

Mr. CÔTÉ: As reported at page 854 of No. 14 proceedings, Mr. Chevrier asked that there be filed a statement showing the number of vehicles crossing the Victoria bridge, per month, for the years 1957, 1958 and 1959.

That statement was filed at the afternoon sitting on May 3, and reproduced at page 868 of the proceedings.

The statement in question only shows the total number of vehicles, and Mr. Chevrier had asked that the number of vehicles be divided between passenger cars and trucks.

I now file this statement, showing separately, the number of passenger cars and trucks crossing the bridge each month for the same three years.

The CHAIRMAN: Gentlemen, is it agreeable that this statement be printed as an appendix to today's proceedings?

Agreed.

(See Appendix "C" hereto.)

Mr. CÔTÉ: I should point out that "passenger cars" in that statement means all of the passenger carrying vehicles listed under item 1 of the current tariff which is at page 898 of the proceedings—namely the vehicles which carry a toll of 25 cents, and which are entitled to use tokens. "Trucks" in that statement means all the vehicles listed under items 2, 3, 4 and 5 of the same tariff.

At page 874 of the proceedings, I have undertaken to find out for Mr. Pigeon why there were no checks made by the special service branch of the investigation department on the Victoria bridge for the years 1951 and 1955.

As to 1951, I am informed that no checks were made because the special service branch were engaging in what was considered to be more important work. Moreover, during that year, there was a considerable time spent by that branch in connection with the royal visit of Princess Elizabeth and Prince Philip. Also, in that year, there came into force the five day week which, for a time, depleted the forces of that branch. I also should mention that it was felt that with the results of the checks in the preceding couple of years, the situation at the bridge was sufficiently well in hand to postpone the check until 1952.

In regard to the year 1955, it was considered that in view of the extensive checks made in 1952, 1953 and 1954, and demands made upon the special service for work elsewhere, there was no need to include the Victoria bridge in their work program of 1955.

At page 876, Mr. Campbell inquired as to a company statement that indicated the percentage increase on revenue on the Victoria bridge, and comparing the figures prior to the installation of the automatic machinery and the period after.

I would like to table the "note to editors" that was issued by the company at that time. That note to editors was released on February 12, 1960.

The CHAIRMAN: Do you intend to read this into the record? If you would do so, it would appear in the proceedings.

Mr. CÔTÉ: The document is entitled "Victoria bridge tolls".

NOTE TO EDITORS: The following observations have been prepared as information and guidance to editors and others handling news or commenting upon current news concerning the Jacques Cartier and Victoria bridges. While this is not intended as a press release, there is no objection to its publication if that should be desired.

Recent newspaper reports, broadcasts and telecasts in connection with bridge toll collections have unwittingly given false impressions resulting in unfortunate embarrassment to the men employed on Victoria bridge.

The Royal Canadian Mounted Police are not conducting, nor have they conducted, any investigation into operations of the Victoria bridge. Recent widely publicized house searches made by RCMP officers have not in any instance involved employees, past or present, on Canadian National's Victoria bridge. Regular inspection of operations on this bridge is conducted, as it has been for many years, by Canadian National's investigation department.

Furthermore, there has been no undue increase in the volume of toll collections on Victoria bridge since installation of automatic toll collection machines took place in May, 1958. The general trend of total toll collections has been upward, both before and since the machines were installed. Average monthly toll revenues over comparable periods show an increase of little more than five per cent in 1958 (after installation of the machines) as compared with 1957 (before the installation). For the comparable period in 1959 the average monthly revenues showed a further increase of about eight per cent over 1958 (the collection machines being in operation in both years). These increases resulted from a rise in the flow of traffic made possible by improved facilities on the Victoria bridge and created by a greater number of motor vehicle registrations.

I feel the above clarification is necessary in fairness to our employees and in the interests of proper understanding on the part of the public.

The note is signed by Mr. C. A. Harris, Director of Public Relations, Canadian National Railways.

The CHAIRMAN: Mr. Côté, may I ask the date of this.

Mr. CÔTÉ: It was released February 12, 1960.

The CHAIRMAN: Have you anything else?

Mr. CÔTÉ: I would like Mr. Henderson to explain as to where the information came from to support the percentages given in this note.

The CHAIRMAN: Mr. Henderson, would you proceed?

Mr. L. J. HENDERSON (*General Manager of Road Transport, Canadian National Railways*): We were endeavouring to have a comparable period, and we used the month of November 1957, 1958 and 1959 as the month that we had the figures for, and the month that the conditions on the bridge were comparable. In other words, the bridge, or any portion of it was not shut down for any part of the month of November of those three years. In October, 1958, the bridge was partially shut down.

Basing our figures on the revenues for those months, we had an increase of 5.5 per cent in 1958, over 1957. Now, in 1957, we had the old tariff in effect. In 1958 we had two tariffs in effect; we honoured the tickets on the Jacques Cartier bridge that they sold. We honoured those for six cents. We had our own tariff for eight cents. That is the commuter rate. In November, 1959, there was an increase of 9.2 per cent in the revenue over 1958.

That was the basis of this statement.

The CHAIRMAN: Have you anything else, Mr. Côté?

Mr. CÔTÉ: No.

The CHAIRMAN: Will you proceed, Mr. Pigeon?

Mr. PIGEON: I want to make a short statement, at the beginning. I wrote it out in French. The translator can translate it after I have read it.

(Mr. Pigeon spoke briefly in French)

The CHAIRMAN: Mr. Martin, it is a pleasure to see you here.

Mr. MARTIN (*Essex East*): I would like you to know, Mr. Chairman, that there are just four committees meeting this morning, and I have been attending three of them. Mr. Fisher is a member of one, and he is wanted in that committee.

Mr. PIGEON (*Interpretation*): Mr. Henderson, I would like to show quite clearly that the statement made by Mr. Harris of the Canadian National on February 12, 1960 and which appeared in *Le Devoir* on February 13, 1960, relative to the increase in revenue on the Victoria bridge through the installation of automatic toll collection equipment, is false and misleading—and, to do this, I would at this time like to use the report on vehicles, which you submitted at the sitting of Thursday, May 5, as it appears at page 868 of the official proceedings in English.

According to this report the increase in vehicles for the months of August and September, between the years 1958 and 1959 is 23.5 per cent and 19.35 per cent respectively. This increase is due to the fact that in 1958 there was only one lane in operation on the bridge, whereas in 1959 there were two. Therefore, it must be concluded that when you placed the machines into operation in May, 1958, when there was only one lane, there should have also been this same decrease in traffic of about 20 per cent. How is it, therefore, that it is stated that the increase in revenue, for the comparable period—to use your own expression—between the manual collection and the automatic collection, has increased by 5 per cent, when there was only one lane in operation?

Mr. HENDERSON: Was that not answered, Mr. Pigeon, by what I stated before you spoke?

We used the month of November for the three years—before we had the automatic, when we had the two tariffs in 1958, and in 1959, when it was all automatic—and that was the first month when both sides of the bridge were open.

Mr. BOURGET: And, the tariffs were the same?

Mr. HENDERSON: No, they were different.

The tariff in 1957 was the old tariff, which gave the commuter a six-cent rate. The tariff in 1958—some of the commuters used the Jacques Cartier bridge tickets at six cents, and some had Victoria bridge tokens worth eight cents. And, in 1959, it was standard; we had the same tariff in effect on both bridges. That was the only comparable month that we could use.

Mr. DRYSDALE: Mr. Chairman—

The CHAIRMAN: Mr. Pigeon, have you any more questions?

Mr. PIGEON (*Interpretation*): Yes. You stated that you had semi-portable machines to replace those that were defective. How many semi-portable machines did you have to replace the defective equipment?

Mr. HENDERSON: The company, from whom we are leasing the equipment, maintains two units—and when we say “portable”, I mean they are plugged in. They do not have to be wired in by an electrician. You just pull the plug out, and put in another.

Mr. PIGEON (*Interpretation*): Could it have happened that some of the machines would have become defective, and you would not have had semi-portable equipment to replace them.

Mr. HENDERSON: That might have happened, yes.

Mr. PIGEON (*Interpretation*): In such a case, could automobiles pass, without paying, on green lights? It could happen?

Mr. HENDERSON: As I understand your question, when you say “pass on green”, they might pass on red too. When the machine is not connected, or working right, the light is generally stuck on red. It could pass as a violation then.

Mr. PIGEON: But the automobile could pass also on the green light?

Mr. HENDERSON: Yes, either way.

Mr. PIGEON (*Interpretation*): If the automobiles had paid, your income would normally have increased a great deal more, and the percentage of increase would have been much higher than that mentioned in the famous statement of Mr. Harris.

Mr. HENDERSON: You are assuming that the machines break down a lot of the time, and that we have no spares.

Mr. PIGEON: How many times did you have to use the spares?

Mr. HENDERSON: They were breaking down at that time, but the number of times that both spare machines were used up would be very few. I will find that out.

Mr. PIGEON: But, how many times?

Mr. HENDERSON: Very few times. We would have an average breakdown of one a day.

Mr. PIGEON (*Interpretation*): For how many hours during the day?

Mr. HENDERSON: We would put in the replacement. We would immediately, if it broke down, put in the replacement. That was the benefit of this type of equipment.

Your question concerned when both the spare units were in service. I will find out how often it occurred. Not very often, but it could have happened.

Mr. PIGEON (*Interpretation*): What I wanted to point out was that it could have happened that at some moment you would not have had any spares to replace the other equipment?

Mr. HENDERSON: I agree; but you said it could have happened; there could be a lot of cars cross while that occurred. What do you mean by a lot? A thousand cars produce \$80 revenue.

Mr. PIGEON (*Interpretation*): What I meant was that if the equipment was defective for one or two hours, I do not know how many hundreds of cars could have passed during that time, and that would represent a loss of revenue.

Mr. HENDERSON: Actually, there are two ways of checking. We have a treadle in the highway to count the axles, and these are independent of the machines which count the money.

Mr. PIGEON (*Interpretation*): You also said that this could have happened on the average of once a day?

Mr. HENDERSON: That is right.

Mr. PIGEON (*Interpretation*): Were the machines installed according to the manufacturer's specifications?

Mr. HENDERSON: Yes, they were; the machines themselves were installed according to the manufacturer's specifications, but the treadles were not. And as I pointed out in my earlier evidence, this was the first type, the first machines of this particular type. In other words, they increased the voltage of the motor, and they were new machines designed for higher speed operation than they had normally been subject to in the United States.

They had not had any experience with cold weather, such as we had in Montreal; and they did not have any experience with machines getting full of dirt, as we have it on the Victoria bridge in Montreal, and I pointed these things out, and these two problems have been overcome by the company.

If the machines broke down it was the policy, and is the policy, of the supervisor to close that lane. We have traffic lights on each lane and he would turn the traffic light to red and put a gate across the lane and divert the traffic to the other lanes, while we were changing the machine and taking out the cash boxes at night, or demonstrating it to visiting people who come down to look at them.

We would just shut down the lane so that we might walk through it and examine the equipment. So if the machine broke down, we had no replacement normally. The practice would be that the supervisor would shut the lanes down.

Mr. PIGEON (*Interpretation*): Could it have happened that at the same time, at the same precise moment, the machines at both ends of the bridge could have been defective?

Mr. HENDERSON: The machines are all at one end of the bridge, at the Montreal end.

Mr. PIGEON (*Interpretation*): Several people have told me that the traffic lights controlled by the machines worked badly.

Mr. HENDERSON: That of course is when the machine was giving trouble, yes.

Mr. PIGEON (*Interpretation*): What surprises me most is the thought that you had an average breakdown once a day. I cannot explain it, and that surprises me even more. Was the equipment rented or bought from the company?

Mr. HENDERSON: The equipment was rented and serviced, similar to a telephone.

Mr. PIGEON: But the company was not responsible for these machines?

Mr. HENDERSON: Yes.

Mr. PIGEON: And the company had a supervisor there to look after the machines?

Mr. HENDERSON: No. The company have portable machines. They placed two spares there, two spare units. And when our bridge superintendent would say that a unit was out of service, jammed, or for any reason not functioning, he would close down the lane and replace the unit, and then telephone to the company and say that one of the spares is in use now, and you had better come and get the other one to make it serviceable.

You are surprised at the machines going out of service frequently. But we had the bad luck of having these two operations in effect. Our competitors on the Victoria bridge were using metal token, while the patrons on the Jacques Cartier bridge were using paper tickets.

Now, occasionally somebody would put a paper ticket in a machine, and it of course gummed up the machine right away, and it had to be stopped, cleaned out, and all that. That was a fault we had. It was no fault of the machine. The fault was that of having two tariffs, because the other tariff was not in effect; the other bridge did not have two tariffs.

Mr. PIGEON (*Interpretation*): In your opinion then, when the machinery was defective, there was no loss of income entailed?

Mr. HENDERSON: That is right.

Mr. PIGEON: Due to the fact that machines could cross without paying?

Mr. HENDERSON: That is my opinion, that we did not lose any revenue of any importance.

Mr. PIGEON (*Interpretation*): But you did lose revenue?

Mr. HENDERSON: Yes.

Mr. PIGEON: You do not know how much?

Mr. HENDERSON: It would be for a short period each day when the machine was closed down, from the time the machine would break down until our supervisor could determine that it had broken down.

Mr. PIGEON (*Interpretation*): About how long would it have been possible for cars to pass before the supervisor noticed this?

Mr. HENDERSON: He would notice it at once, since there is an alarm bell. When anyone passes without paying, the bell rings; and immediately the bell begins to ring it would be known that there was something wrong with the machine. Let us say it is at lane 3; then they close the gate and change the unit, and then open the lane up again.

Mr. PIGEON (*Interpretation*): The traffic lights controlled by the machines sometimes were defective. About how many times a day would that happen?

Mr. HENDERSON: Now, that is something which I would like to go into our records for. It occurred much more frequently when we first started the installation than it does now. These problems, as I pointed out earlier—this type of equipment is brand new; that is one of the reasons we did not want to buy it, because of the pioneering problems that the company manufacturing it were having.

I would like to find that out from our records before I answer. I would not want to commit myself right now. I can give it to you by the months.

Mr. PIGEON (*Interpretation*): It would therefore be possible for you to give us that information at the next sittings—that is, from the time of installation of the machines the number of times that the machines became defective and the number of times per day, and the probable loss in revenue.

Mr. HENDERSON: That is right. The customer or the bridge patron—we call them customers, but they are bridge patrons—he would not know when he drove up that the machine was defective. He would just put in his token or quarter; but the light does not change because the machine is defective, so he drives on anyway.

Mr. PIGEON: Sometimes when the machine was defective the light was green.

Mr. HENDERSON: Sometimes, yes.

Mr. PIGEON: I would appreciate it very much, and I think it would be of interest to the members of this committee if we could have it for each day, and the number of times.

Mr. HENDERSON: We will get the records, all we have, together, for the next meeting, and exactly the number of times.

Mr. PIGEON: Yes, each day, and the period of time.

The CHAIRMAN: That would be quite a job.

Mr. HENDERSON: We have to get that from the company which is repairing the machines.

The CHAIRMAN: Are there any more questions, Mr. Pigeon?

Mr. PIGEON: No, that is all.

The CHAIRMAN: Now, Mr. Drysdale.

Mr. DRYSDALE: I do not know who would be the proper person to answer this, Mr. Henderson or Mr. Côté, but I wonder if it would be possible to review the steps leading up to the establishment of the tariffs. We were given information on page 102, which is Appendix "L", headed Notes of Board Meeting held at Montreal, October 24, 1956.

At that time the port manager had recommended the installation of these Grant Electro-Toller mechanical equipment for the collection of tolls for the Jacques Cartier bridge, and it was stated that it would take some four to six months before they were ordered.

Now, as part of the minutes, it says at the bottom, again:

The board approved, in principal, rental of the equipment. Port manager to submit detailed report to the board following consultation with Canadian National Railways regarding changes to the tariff and conditions respecting sale of tokens.

Do you have any notes or minutes regarding these meetings as to the persons present, and as to when the tariff was finalized, and as to when an agreement was reached between the Canadian National Railways and the National Harbours Board?

Mr. HENDERSON: These meetings went on starting in 1955 before I was transferred to Montreal, and they were taken up by myself at that time. We had discussions about streamlining the tariff and bringing it up to date. We had discussions on whether we would use multi-coloured paper tickets or go to automatics. We had discussions on the restrictions that the National Harbours Board usually put on the sale of tokens. These went on over a two year period.

Mr. DRYSDALE: I do not want to interrupt, but could you state who "we" were? Who were the persons present?

Mr. HENDERSON: Most of the time it was Mr. Beaudet, and Mr. Clement representing the National Harbours Board, and myself, and Mr. John Belcourt who, at that time, was working on the bridge, in the study of new equipment. They were present for most meetings, and there were at least two of us from each bridge.

Mr. DRYSDALE: You say these meetings were started in 1955?

Mr. HENDERSON: That is right.

Mr. DRYSDALE: How were the meetings held? Were they held weekly?

Mr. HENDERSON: They were informal meetings held in the board room of the National Harbours Board in Montreal.

Mr. DRYSDALE: Do you know the dates when these particular meetings were held?

Mr. HENDERSON: I do, but I do not have them in that form right now.

Mr. DRYSDALE: Perhaps you could produce it later, as to the dates when the meetings were held, and the persons present?

Mr. HENDERSON: Very well, sir.

Mr. DRYSDALE: And if it is possible, perhaps we could have the minutes of these meetings filed. I think it would be of interest.

Mr. HENDERSON: These were taken down more as notes. We did not have a secretary, as much, at the meetings. We just made notes.

Mr. DRYSDALE: Very well. I reserve consideration of that point for the time being. Now, I understand that an agreement was signed for the installation of the machine on March 28, 1957, that is, the installation of the machines on the Victoria bridge; and the machines were actually installed on November 1, 1957; and then it was put into effect on May 10, 1958. Could you indicate in that time sequence as to when the tariff—when the agreement had been reached between yourself and the National Harbours Board?

Mr. HENDERSON: Yes.

Mr. CÔTÉ: May I say that our own tariff of 1956 was approved by order-in-council of August 29, 1956.

Mr. DRYSDALE: Was that tariff of August 29, 1956 arranged after consultation with the National Harbours Board people?

Mr. CÔTÉ: Yes, it was.

Mr. DRYSDALE: So actually, then, would it be fair to say then, that as of August 29, 1956 there was actually an agreement between the National Harbours Board and the Canadian National Railways as to the toll structure, and when it was feasible to establish the machines, the toll machines to collect the tolls? In other words, when that agreement was entered into, any time after that date you could have gone ahead and installed your toll machine, because you then knew what the tariff was going to be, and you said

it was any time after that date. Comparatively then, the people on the Jacques Cartier bridge could install their machines, because they would have some tolls set up.

Mr. HENDERSON: That was our expectation.

Mr. DRYSDALE: When was this tariff submitted to the governor-in-council, and when was it approved?

Mr. CÔTÉ: The one of 1956?

Mr. DRYSDALE: Yes.

Mr. CÔTÉ: We applied for an order-in-council on August 14, 1956.

Mr. DRYSDALE: That was approved on August 29, 1956?

Mr. HENDERSON: That is right.

Mr. DRYSDALE: Were there any other changes made in the toll structure after August 29, 1956?

Mr. HENDERSON: Yes.

Mr. DRYSDALE: And agreed to between yourself and the Canadian National Railways?

Mr. HENDERSON: Yes, subsequent changes.

Mr. DRYSDALE: What were the changes made? What was the nature of the changes?

Mr. HENDERSON: The date of the operation is very important. At the time we applied to have a new tariff approved, we had been considering multi-coloured tickets. And I must say that we were just at that time beginning to look into these automatic toll collection systems. But we were considering at that time multi-coloured tickets which would speed up the collection by having certain colours only valid.

You see, in the days of tickets we had the date when the ticket expired stamped on the back of the ticket; and all tickets were exactly the same.

But Mr. Beaudet and myself figured that it was not too good a system in that it slowed up the traffic at the point of collection because of having to inspect the tickets. So, by introducing multi-coloured tickets we would have, let us say, red and green this month, to be followed next month by, let us say, green and yellow, and so on.

And coincident with this study we became aware of the Grant company's collection machine that they were using in the United States for toll highways and toll bridges.

Mr. DRYSDALE: What time was that, approximately?

Mr. HENDERSON: We became aware of that first around May 28, 1956.

Mr. DRYSDALE: You say May 28?

Mr. HENDERSON: That is right, 1956. That was the first time we had seen this equipment modified for highway use.

Mr. DRYSDALE: When you say "we", again who was it?

Mr. HENDERSON: That was the Canadian National Railways in this particular case.

Mr. DRYSDALE: But the National Harbours Board had not seen it at that time?

Mr. HENDERSON: I do not know whether they had or not.

Mr. DRYSDALE: In these discussions which you had been carrying on during 1955 and 1956, this toll machinery did not come under discussion at that time, during the tariff changes?

Mr. HENDERSON: We were looking into it, but the company was not ready to have service provided in Canada. They were not too anxious to install in Canada until they had had more experience. They were an American company at the time, and they incorporated a Canadian subsidiary, and so on.

Mr. DRYSDALE: My question was as to whether or not the National Harbours Board had been aware of the machinery at this particular time. You indicated in your evidence that you had been having discussions back and forth.

Mr. HENDERSON: Yes.

Mr. DRYSDALE: And you said that May 28, 1956 was the first time you had seen the equipment. And I asked you whether the National Harbours Board had seen it, and you said you did not know. And I was trying to ascertain.

Mr. HENDERSON: At that time the Grant people, who made this machine, brought a film to Montreal and invited Canadian National Railways' representatives to a showing, showing this type of installation in effect on various tollways and bridges in the United States; and they invited us to go down and see them in operation and convince ourselves. So we subsequently dispatched people.

I went down myself, and we sent several different representatives from our company down to see different installations. The treasurer went down, to see if this equipment was good and would protect revenue; the engineering people went down, to see what problems they would encounter; we went down from an operational angle—that is, representatives of my department. This went on over a period of three or four months.

Mr. DRYSDALE: When did the liaison come between yourself and the National Harbours Board in connection with the toll machines?

Mr. HENDERSON: The first mention of it?

Mr. DRYSDALE: Yes. Perhaps you could file that information later: it is not particularly material at this time.

The CHAIRMAN: Mr. Henderson will give you that later; is that all right?

Mr. DRYSDALE: Yes.

Mr. HENDERSON: I will do that later.

Mr. DRYSDALE: Perhaps I sidetracked you from the original line of thought, Mr. Henderson. But the first toll agreement you had was in 1956, August 29. Then, I was anxious to find out as to when the next agreement was entered into, when the next change was made between yourself and the C.N.R.

I presume that would be on the agreement regarding tokens. When was that agreement reached?

Mr. HENDERSON: The token design was approved by the National Harbours Board on May 10, 1957.

Mr. DRYSDALE: May 10, 1957. And the reason for that approval would be that you were both contemplating setting up the same type of machinery and you both intended carrying on the interchangeability?

Mr. HENDERSON: That is correct.

Mr. DRYSDALE: Did that change of tokens require the approval of the governor in council?

Mr. HENDERSON: Yes.

Mr. DRYSDALE: When was that application made, and approved? While Mr. Côté is looking that up, Mr. Henderson, perhaps you could answer this question. The agreement signed for the installation of the machines was on March 28, 1957, so I would assume that there was perhaps a loose agreement that you were going to both use the same type of machine, and there was perhaps a relatively loose agreement as to the nature of the tokens and, in effect, as to what the tariff would be?

Mr. HENDERSON: That is correct.

Mr. DRYSDALE: That would be prior to March 28, 1957? In other words, you were not going to get into an agreement to use machines unless you had already had a fairly substantial—

Mr. HENDERSON: Reached agreement on the tariff.

Mr. DRYSDALE: —a fairly substantial agreement. Do you know when that would be, approximately?

Mr. HENDERSON: I am trying to find out now.

Mr. CÔTÉ: Mr. Drysdale, as to the 1957 tariff, it was approved by our company's directors on August 29, 1957; and it was approved by order in council P.C. 1957-1629 on December 6, 1957.

Mr. DRYSDALE: And the effective date, then, when it did go into operation was May 10, 1957?

Mr. CÔTÉ: Well, in the interval we were operating on the 1956 tariff.

Mr. DRYSDALE: I had the date given to me of May 10, 1957. What did that represent?

Mr. CÔTÉ: May 10, 1958.

Mr. DRYSDALE: Oh, 1958.

Mr. CÔTÉ: That is the introduction of the automatic—

Mr. DRYSDALE: Yes, I realize that. It was May 10, 1958—not 1957?

Mr. CÔTÉ: Yes.

Mr. DRYSDALE: I am sorry. I had "1957" in my notes.

The CHAIRMAN: Mr. Drysdale, have you perhaps other questions of Mr. Cote while Mr. Henderson is looking that up?

Mr. DRYSDALE: Yes. On November 1, 1957, the machinery was installed, Mr. Cote, and then finally it went into operation on May 10, 1958.

During the period between those two dates I presume that you had discussions with the National Harbours Board as to when they were going to instal their machinery?

Mr. CÔTÉ: Yes.

Mr. DRYSDALE: What was the reason for the delay?

Mr. CÔTÉ: As explained by Mr. Henderson before, they had difficulty with the approval of their tariff. That is what we were given to understand, that they were not—they had difficulty in getting their tariff approved.

Mr. DRYSDALE: Approved by whom?

Mr. CÔTÉ: I do not know if it is Quebec or Ottawa, which of the two authorities.

Mr. BRUCHESI: Who else?

Mr. CÔTÉ: The governor in council in Ottawa, or the lieutenant-governor in the province of Quebec. Which of the two, I would not know. Both places.

Mr. DRYSDALE: Yet the operation of the toll machines was contingent upon the two of you having the same tariff operation?

Mr. CÔTÉ: No. We felt that we could operate the machine under the 1956 tariff, which provided for us a new rate of 25 cents for automobiles and a commuters' rate of 50 trips for \$4.

Mr. DRYSDALE: Were these changes in rates submitted to the city of Montreal, or to the province of Quebec?

Mr. CÔTÉ: Not in our case, no.

Mr. DRYSDALE: You decided between yourselves and the National Harbours Board as to what the rate should be and the use of the tokens, and then were they hopeful, or what was the basis of entering into the agreement?

Mr. CÔTÉ: Of course, as to the 1956 tariff, there was no mention of token in that tariff.

Mr. DRYSDALE: No, but then in 1957, December 6, 1957, you had received the approval of the governor in council as to the use of the tokens?

Mr. CÔTÉ: Yes.

Mr. DRYSDALE: And I would assume from the fact that you had had that approval that there had been a crystallization of the agreement between yourselves and the National Harbours Board as to the tariff rates to be charged and as to the use of the tokens?

Mr. CÔTÉ: Yes.

Mr. DRYSDALE: Yet you say at that particular time, although you had entered into an agreement—the difficulty that I am having is that you went ahead, presumably on the basis that everything was going to go through smoothly at that particular time; was that the understanding?

There must have been some tentative indication from the parties concerned that those tolls would be approved, otherwise you would not have gone ahead, would you?

Mr. CÔTÉ: Are you speaking of 1957, or 1956?

Mr. DRYSDALE: 1957.

Mr. CÔTÉ: The tariff provided for—the tolls provided for in that tariff would have been discussed with the Harbours Board.

Mr. DRYSDALE: At the time that you had received the approval of the governor in council, then, you had no reason to believe that there was any difficulty in the National Harbours Board getting a similar approval?

Mr. CÔTÉ: I would not know at the moment exactly at what time we began to realize that they were in some difficulties in respect of approval of their own tariff.

Mr. DRYSDALE: Would there be any point in your having your particular tariff approved, if the other tariff was not going to be approved?

Mr. CÔTÉ: Well—

Mr. DRYSDALE: But from the fact that the tokens are interchangeable and that you were trying, in effect, to make a joint operation—which I assume would be based on a joint agreement—there would be some reasonable belief on your part that the operation would be carried on on that basis?

Mr. CÔTÉ: In so far as I know, we never worked it to the point where we would make a joint application.

Mr. DRYSDALE: I did not mean a joint application; but you were as certain as you possibly could be, at the time that you put forward your tariff to the governor in council, that the National Harbours Board would also follow suit and would also be likely to get a similar approval?

Mr. CÔTÉ: I would think—

Mr. DRYSDALE: I do not want to interpret it for you.

Mr. CÔTÉ: Yes, I think that is a fair statement.

Mr. DRYSDALE: I think Mr. Henderson wanted to make a comment.

Mr. HENDERSON: I have the letter here from the National Harbours Board dated January 12, 1956. I wrote the National Harbours Board on January 10, 1956, and enclosed two copies of our proposed tolls. I received acknowledgement from the Harbour Board and a copy of their proposed new tolls. We had to discuss this between ourselves. We did, and as of January 10, 1956, we had reached agreement.

Mr. DRYSDALE: Whom did you write to in the National Harbours Board?

Mr. HENDERSON: Mr. G. Beaudet, port manager.

Mr. DRYSDALE: This was January 12, 1956?

Mr. HENDERSON: January 10, 1956.

Mr. DRYSDALE: And he replied on January 12?

Mr. HENDERSON: He replied on January 12.

Mr. DRYSDALE: Was this in connection with the tokens?

Mr. HENDERSON: No, at that time we were discussing these multi-coloured tickets. We were streamlining the tariff, though.

Mr. DRYSDALE: Do you have any exchange of correspondence which led up to your submitting the tariff on August 29, 1957, which was finally approved on December 6, 1957?

The CHAIRMAN: May I interrupt for a moment, Mr. Drysdale? I have 40 school children coming here and I would just like to go to the door and welcome them. With the approval of the committee, would it be all right if we had Mr. Thomas Bell as acting chairman for the time being? Is that agreeable to the committee?

Mr. BROWNE (*Vancouver-Kingsway*): Well, just for a few minutes it will be all right.

Mr. DRYSDALE: Be sure and come back, Mr. Chairman.

Mr. ASSELIN: I am opposed!

Mr. PIGEON: I do not agree!

(Mr. Bell, (*Saint John-Albert*) assumed the Chair.)

Mr. ASSELIN: Do you have any statement?

Mr. DRYSDALE: The same rules? Mr. Chairman, I am very pleased to see you in the position of the Chair. To speed things up—I do not want to unnecessarily prolong them—perhaps Mr. Henderson could obtain that information.

Mr. CÔTÉ: Yes, he will.

Mr. DRYSDALE: Also, while he is doing that, perhaps he could obtain from the correspondence any subsequent exchanges between the National Harbours Board and the Canadian National Railways on tariff changes. That is, after the period of December 6, 1957.

Mr. CÔTÉ: Yes.

Mr. DRYSDALE: Do I understand, then, after you started—between the time of the installation, November 1, 1957, had your liaison, in a sense, broken down, or were there any further meetings on the matter of tariffs, or was it just a case that you were waiting until the National Harbours Board could get their tariff approved?

Mr. HENDERSON: That is right; we were waiting for the National Harbours Board to obtain approval of their tariff.

Mr. DRYSDALE: Then you could not wait any longer, shall we say, so you started your own one on May 10, 1958?

Mr. HENDERSON: We were in the position of paying rent, leasing equipment, and not using it.

Mr. DRYSDALE: What precipitated the decision to start on May 10, 1958?

Mr. HENDERSON: I have a copy of a letter from the president of the C.N.R. to Mr. Hees, from which they had evidently discussed between themselves the tariff problems. This is to advise Mr. Hees that according to their discussions we were going ahead early in May to put in a new tariff and the automatic collection.

Mr. BRUCHÉSI: What is the date of the letter?

Mr. HENDERSON: April 24, 1958.

Mr. DRYSDALE: In these discussions leading up to the tariff changes, was it the general policy over the previous years to have discussions between the National Harbours Board and yourselves in relation to the Jacques Cartier

bridge and Victoria bridge, to sort of keep one another informed and advised as to what was going on?

Mr. HENDERSON: I can only speak from October 1955 when I arrived in Montreal. There would appear to have been liaison. There was interchangeability of these commuter tickets and there was a monthly liaison between the accounting sections.

Mr. DRYSDALE: Was there anything in the correspondence? Who would be the person who could give the information as to whether or not there was any discussion between yourselves and the National Harbours Board regarding the matter of irregularities in respect of the toll collection? You have indicated that with the exception of one or two instances the Victoria bridge had a yearly check by your investigational officials. These discussions in connection with the tariff structure would also, I would suggest, perhaps if not directly, indirectly bring up this matter of the manual system of toll collection. Is there anything in the correspondence to indicate why the National Harbours Board did not have inspections on the same yearly basis that you did.

Mr. CÔTÉ: We will make a review of the correspondence at the lunch adjournment.

Mr. DRYSDALE: If there is nothing in the correspondence could you suggest to the committee somebody who might be in a position to indicate whether or not there was any liaison on the matter of these investigations.

Mr. CÔTÉ: Yes.

Mr. PIGEON (*Interpretation*): I would like to have very precise explanations, if possible, on the questions I shall direct to you. How can you explain that at the time you began automatic toll collection there was only one traffic lane, and not only was there no decrease as one might have expected but there was an increase of 5.4 per cent as you yourself stated.

Mr. CÔTÉ: Which month are you looking at?

Mr. PIGEON (*Interpretation*): I am referring now to the increase that was calculated by you and which was referred to and given by Mr. Henderson.

Mr. CÔTÉ: This morning?

Mr. PIGEON: No. At the last meeting.

(*Interpretation*): During the month of May, June, July, August, September and October, 1958.

Mr. HENDERSON: There were decreases in those months.

Mr. CÔTÉ: For the month of May.

Mr. PIGEON: June, July, August, September and October.

Mr. CÔTÉ: In 1958 for the month of May the revenue was down by 29.1 per cent. For the month of June the revenue in 1958 was down by 17.1 per cent—that is between 1957 and 1958. For the month of July the revenue was down by 5.1 per cent. For the month of August the revenue was down by 4 per cent. In September it was down by 3.2 per cent.

Mr. PIGEON (*Interpretation*): A while ago in the statements you gave you referred to the figures given on page 868 of the proceedings and, basing it on the month of November, you stated that there was an increase of 3.16 per cent. Why did you not use the months of August and September?

Mr. HENDERSON: Because in the months of August and September 1958 we had one side of the bridge closed down from April until October 25.

Mr. PIGEON (*Interpretation*): Are you prepared to state that since the installation of the automatic toll equipment there was an increase in revenue on the Victoria bridge.

Mr. HENDERSON: Yes.

Mr. PIGEON (*Interpretation*): Are you prepared to say that this increase in revenue averaged 40 or 42 per cent?

Mr. HENDERSON (*Interpretation*): No.

Mr. PIGEON (*Interpretation*): Would it be possible for you to produce a monthly statement of revenue divided as follows: trucks, busses, passenger automobiles paying a 25 cent fare, reduced fare automobiles—that is commuters—and then the total. These reports should be produced for the period January 1, 1955 to December 31, 1959, so as to compare the revenue month by month when there were two lanes in operation, when there was only one lane in operation, and when collections were made manually and when collections were made automatically.

Mr. CÔTÉ: We have here a statement which perhaps will meet your requirements. This statement covers the revenue for the three years 1957, 1958 and 1959. The revenue is given by months. On the statement there is shown the increase or the decrease as between these three years. So if you feel that statement would meet your requirements we will table the document after the adjournment.

Mr. PIGEON: Could we have the figures for the two years before the installation of the automatic tolls?

Mr. CÔTÉ: The automatic came in in May, 1958, so 1957 would be a full year prior to the automatic.

Mr. PIGEON: I agree with that.

The ACTING CHAIRMAN: You suggest that this be included as an appendix?

Mr. PIGEON: Please.

The ACTING CHAIRMAN: Is it agreeable to the committee that this statement of monthly revenue be appended to the proceedings of today's meeting.

Some hon. MEMBERS: Agreed.

(*See Appendix "D" hereto.*)

Mr. CÔTÉ: I would like now to table copies of that statement of revenue for the three years 1957, 1958 and 1959.

Mr. PIGEON (*Interpretation*): Mr. Henderson do you have the percentage of increase in revenue from the inception of the automatic collection equipment, even though the machinery was sometimes defective.

Mr. HENDERSON: Yes. That is what has been tabled.

Mr. CÔTÉ: The information will appear on the statement we have just tabled.

Mr. PIGEON: I have a last question to ask.

(*Interpretation*): Mr. Côté, do you believe the fact that, having made annual checks of 2 or 3 collectors once a year, that that can be construed as being in the interest of the public.

Mr. CÔTÉ: I would say that the primary responsibility for the observance of the regulations on the bridge by the collectors rests with the supervisors on the bridge. The checks made by the special branch of the investigation department are something in addition. The responsibility to see that the regulations are obeyed does not rest with the investigation department.

Mr. BOURGET: What kind of checks did the supervisor have of the toll collectors? Would you explain what methods were used to check by the supervisor of the toll collectors.

Mr. CÔTÉ: I would say that the duties of the supervisor would be the same as those of a constable on traffic duty at a street intersection. He is there

and he sees what the collectors do. It is for him to see that the regulations enforced on the bridge are obeyed by the collectors.

Mr. BOURGET: Was it the same kind of a spot check they had on the Jacques Cartier bridge?

Mr. CÔTÉ: The supervisors are on duty all the time, 24 hours a day.

Mr. BOURGET: On what date did you ask for approval by order in council of the tariff of 1957?

Mr. PIGEON (*Interpretation*): May I continue. I have only two questions to ask before I finish. I notice that the checks made of the toll collectors at the Victoria bridge were less numerous than those made on the Jacques Cartier bridge. It appears that after the installation of the automatic equipment the income increased on the Jacques Cartier bridge.

Mr. CÔTÉ: Well—

The CHAIRMAN: He cannot answer anything in respect of the Jacques Cartier bridge.

Mr. PIGEON (*Interpretation*): I wonder why it is that there were not as many, nor as detailed, checks on the collectors as there were at the other bridge.

Mr. CÔTÉ: Appendix "D" attached to proceedings No. 14 shows that the checks were on the Victoria bridge by the investigation department, and the statement speaks for itself. It shows we have made checks every year except for two. How that compares with the checks made on the Jacques Cartier bridge I have not made the comparison.

The CHAIRMAN: He cannot answer that.

Mr. PIGEON (*Interpretation*): I notice for the year 1947 only one collector was checked once.

Mr. CÔTÉ: Well, that is the case, Mr. Pigeon.

Mr. PIGEON (*Interpretation*): In 1948, four collectors were checked, once each. In 1954, collectors were checked, once each. In 1955, for the reasons you mentioned, there was no check. In 1956, two collectors were checked, once each. In 1943, two collectors were checked, once each. In 1942, it was the same case. There certainly was a lack on the part of the authorities concerned. I do not believe that this procedure was in accordance with the interests of the public.

The CHAIRMAN: Would you ask a direct question, Mr. Pigeon?

Mr. PIGEON: That is all.

Mr. BOURGET: I was asking a few questions when Mr. Pigeon asked me to give him the floor.

The CHAIRMAN: Go ahead.

Mr. BOURGET: On what date did you ask for approval of the tariff for 1957?

Mr. CÔTÉ: I am looking that up now.

Mr. BOURGET: While you are looking it up would you also find out the date the order in council was approved?

Mr. CÔTÉ: The application for the order in council was made on September 30, 1957. The order in council was issued on December 6, 1957.

The CHAIRMAN: Are there any further questions?

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Chairman, I am wondering if we could have some explanation as to why in the revenue of the Jacques Cartier bridge there was quite a sharp drop in 1958 over 1957? I wonder what brought that about.

Mr. CÔTÉ: As this is a question on revenue, Mr. Chairman, I would like to have Mr. L. J. Mills, the comptroller of the company, answer the question.

The CHAIRMAN: Mr. Mills, will you come up here please, I will ask the clerk to administer the oath.

Mr. L. J. Mills—sworn.

Mr. L. J. MILLS (*Comptroller, Canadian National Railways*): Mr. Chairman and gentlemen, there were a number of reasons for revenue declining in 1958. Some of the reasons have been mentioned several times during the testimony previously but I will try to very briefly summarize them. In the first place a new tariff was introduced in an endeavour to speed up traffic and which in effect reflected a reduction in toll revenue. As an indication of this, prior to May 10, 1958, cash fares were 25 cents for a car and driver and 5 cents for each additional passenger. There were strips of 25 cent tickets for passengers who would be purchasing commuter tickets and 50 for \$3.00 with a four months expiry date, with additional passengers being charged as indicated earlier. After May 10, 1958, the fare vouchers and tokens became 50 for \$4.00 with no expiry date and no charge for additional passengers. The average vehicle content was a driver and 1.1 passengers or 2.1 occupants. Under the old tariff the commuter paid 6 cents plus 2.5 cents each passenger and the passengers averaged 1.1. This resulted in an average revenue per passenger vehicle on a commuter basis of 8½ cents. By using the new tariff the tokens were a straight 8 cents per token and there was therefore a reduction in tariff on our own bridge.

A second reason was that the Jacques Cartier bridge retained the old tariff until April 1, 1959. In all probability—in fact we know—many commuters used the Jacques Cartier bridge which provided only 6 cents per crossing instead of 8 cents under the Victoria bridge tariff. That was a second reason for a reduction. In addition to that, during 1958, there was a reduction of 2.33 per cent in the number of vehicles that used the Victoria bridge compared to 1957. This could be due to the construction work carried on by the St. Lawrence seaway on the south shore approaches.

There is a fourth reason. When the new tariff was introduced on May 10, 1958, commuter tickets sold at the old rate were accepted until the expiry date. The revenue from these tickets was reflected in the month of January to May in 1958 inclusive. However, tokens sold after this time were reflected only in revenues when redeemed because they had no fixed expiry date, and certain people were still crossing bridges using tickets which had been purchased earlier; others were buying tokens and not using them until a later date and they would not be reflected in the revenue until such time as they were redeemed. These are four reasons which occur to me as to why revenue was low in 1958.

Mr. BROWNE (*Vancouver-Kingsway*): One of the things the committee would like to determine is exactly what happened when the automatic toll gates went in. We want to see how that affected revenues. With these other factors involved in it would you say it would be more proper to compare 1959 with 1957 during those months immediately after the automatic toll gate went in.

Mr. MILLS: I think 1959 compared to 1957 is a much informative comparison because one would be taking a complete year after the installation of the automatic equipment and a year completely before the use of the automatic equipment.

Mr. BROWNE (*Vancouver-Kingsway*): So in getting down to a month by month basis, in looking at it after the automatic toll gates were put in in May, comparing May, 1959 with May, 1957, there was no increase in that

month, and in June of 1959, it was less than June of 1957; in July of 1959 it was less than July of 1957. That would seem to indicate that the automatic toll gate did not mean that there was any increased revenue.

Mr. MILLS: There was no increase during those particular months. I think some of the reasons are those I have already outlined. For the whole year, 1959, compared to 1957, there was in fact an increase of 5.4 per cent.

Mr. BROWNE (*Vancouver-Kingsway*): Around \$50,000 for the whole year.

Mr. MILLS: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): Do you know how that compared with the number of vehicles which went over.

Mr. MILLS: My recollection is the vehicle increase was 1.93 per cent.

Mr. BROWNE (*Vancouver-Kingsway*): Would you attribute this to the more efficient operation of the automatic toll gate or was it because of a change in the tariff?

Mr. MILLS: I have a feeling it is a combination of those factors and perhaps some other things. Like an omellette, it is a bit too difficult to unscramble.

Mr. BROWNE (*Vancouver-Kingsway*): You did mention that the number of passengers averaged 1.1 per automobile. We have had this matter raised in this committee several times. Do you have any figures going back to show how that has changed? Has there been any significant change in that trend during the past few years.

Mr. MILLS: I am afraid we do not have the information here to answer that, but I do think the figures are available and they could be filed if it is the wish of the committee.

Mr. BROWNE (*Vancouver-Kingsway*): We did have a good deal of discussion on this on the other bridge, where the trend of passengers was concerned. There were some questions as to how it had gone down, though it appeared to be just over one passenger a car. I think it would be very helpful to the committee if we could have the same information for the past two or three years, to show how that has changed—or as far back as would be convenient.

Mr. MILLS: I am speaking from recollection now, but during the immediate post-war years—for one thing, because of the shortage of cars—there was a good deal of pooling going on. I think that probably Mr. Henderson—relative to the volume of traffic across the bridge—is better able to answer that question than I am.

Mr. HENDERSON: We arrived at this figure of 1.1 by making spot checks at rush hours, which is when we have the most commuter traffic, before we made the tariff adjustments. We were endeavouring to project whether we were going to increase revenue or decrease revenue. These figures were arrived at by spot checks, taking people from various offices in the C.N.R., giving them counters and standing them at the wicket for a 15-minute period today, tomorrow and different days. From that we deduced that the average car had 1.1 passengers, in addition to the driver. This physical count was done on a spot check basis, to provide us with information to recommend tariff changes.

Mr. BROWNE (*Vancouver-Kingsway*): Was there an estimate made of how the tariff changes were going to affect the revenue of the bridge? Was there any projection made as to what increase or decrease was expected in the total for one year?

Mr. HENDERSON: Yes, there was.

Mr. BROWNE (*Vancouver-Kingsway*): I wonder if we could have that information?

Mr. HENDERSON: I have not got that information with me.

Mr. BROWNE (*Vancouver-Kingsway*): I wonder if that could be supplied, along with the other information concerning the passengers?

The CHAIRMAN: Is that possible, Mr. Côté?

Mr. CÔTÉ: I think so.

Mr. BROWNE (*Vancouver-Kingsway*): That is all the questions I have.

The CHAIRMAN: Mr. McPhillips, and then Mr. Baldwin.

Mr. McPHILLIPS: I have a couple of questions for Mr. Côté, Mr. Chairman.

Mr. CÔTÉ: Yes, sir?

Mr. McPHILLIPS: Mr. Côté, you are from the legal department of the C.N.R., is that correct?

Mr. CÔTÉ: Yes.

Mr. McPHILLIPS: You come under the department headed by Mr. Friel?

Mr. CÔTÉ: Yes.

Mr. McPHILLIPS: You are a member of the bar of Quebec, I take it?

Mr. CÔTÉ: Yes.

Mr. McPHILLIPS: I want to get some information on the legal position. Is the Victoria bridge vested in the government of Canada or in the Canadian National Railways?

Mr. CÔTÉ: The Canadian National Railways Company, as a result of the amalgamation of the Grand Trunk Railway Company of Canada.

Mr. McPHILLIPS: Therefore, legally, in the C.N.R. set-up it is just as much a part of the system as any other part?

Mr. CÔTÉ: Well it is part of the company property.

Mr. McPHILLIPS: Earlier in your evidence you said something, I think, in regard to the treasury officer of the government of Canada being concerned with the collections on the bridge.

Mr. CÔTÉ: Not the treasury officer of the government.

Mr. McPHILLIPS: The treasury officer of your own company?

Mr. CÔTÉ: Yes, of our accounting department.

Mr. McPHILLIPS: So that in this matter of moneys collected on the Victoria bridge the treasury officer of the government of Canada is not concerned?

Mr. CÔTÉ: No.

The CHAIRMAN: Yes, Mr. Baldwin?

Mr. BALDWIN: I do not know which one of these gentlemen would answer this, but probably either one.

In preparing yourself for the inquiry you have thoroughly familiarized yourself with the files and proceedings in connection with the Victoria bridge?

Mr. CÔTÉ: Yes.

Mr. BALDWIN: As a result of inquiring into those files and discussing this matter with the people in connection with the bridge operation, it would appear that from time to time there was certain suspicion entertained as to some irregularities in the bridge operation; that is, in the toll collections. Is that a fair statement?

Mr. CÔTÉ: I would say as to that, that at the company we work on the premise our employees who handle revenue are honest and respectable, until it is proven to the contrary.

Mr. BALDWIN: There have been some cases where action has had to be taken when certain facts were brought to the attention of those in authority?

Mr. CÔTÉ: Of course.

Mr. BALDWIN: When those facts were brought to your attention action was taken?

Mr. CÔTÉ: Yes.

Mr. BALDWIN: Promptly?

Mr. CÔTÉ: Yes.

Mr. BALDWIN: There was no delay; there would be no delay?

Mr. CÔTÉ: No.

Mr. BALDWIN: Would you think it a safe statement to say there has not been a situation where suspicions have been entertained as to irregularities and nothing has been done about those suspicions, over a period of a year or two years?

Mr. CÔTÉ: No.

Mr. BALDWIN: If it were necessary to do anything in connection with changes in the bridge operations and management, to what level would you have to go in the C.N.R. management?

Mr. CÔTÉ: As it is now, the bridge comes under the immediate jurisdiction of Mr. Henderson, and he reports to the vice-president, operation of the company.

Mr. BALDWIN: Would you say from an examination of the facts, that when anything was brought to the attention of Mr. Henderson, as to the operation of the bridge or, particularly, in regard to irregularities in the operation, that, again, would have been taken up by him at once?

Mr. CÔTÉ: Yes.

Mr. BALDWIN: Thank you, that is all.

The CHAIRMAN: Any other questions of Mr. Côté and Mr. Henderson?

Mr. CHOWN: Mr. Henderson, are there any passes for employees over the Victoria bridge, or any other people, anywhere in existence today?

Mr. HENDERSON: No, there are not.

Mr. CHOWN: Were there any before?

Mr. CÔTÉ: Yes.

Mr. HENDERSON: Yes.

Mr. CÔTÉ: Up to January 1, 1960.

Mr. CHOWN: Have you any data on this, as to who these pass holders were, and the number of passes that were issued?

Mr. CÔTÉ: Yes, sir.

Mr. CHOWN: Would you like to file that evidence, or have you this evidence in a form that can be filed as part of the proceedings?

Mr. CÔTÉ: Yes.

Mr. CHOWN: Could I ask that this be filed, Mr. Chairman?

The CHAIRMAN: Yes, Mr. Chown.

How long is the list? If it is short it could be put right in.

Mr. CÔTÉ: I have a statement on passes that could be distributed. I have a number of copies—it is a one-page statement.

The CHAIRMAN: Is it agreeable that this be printed in the appendix of today's proceedings?

Agreed.

(See Appendix "E" hereto.)

The CHAIRMAN: Thank you. It is only a page, a foolscap page.

Any other questions?

Mr. HORNER (*Acadia*): My questions follow-up what Mr. Chown suggested. Why were the passes discontinued on January 1, 1960? This seems like an odd time. Why not discontinue them at the time the automatic tolls were installed? What brought about this decision?

Mr. CÔTÉ: The chief reason was that it delayed the traffic at the collection gates.

Mr. HORNER (*Acadia*): I see.

Mr. CÔTÉ: It was difficult to keep a record of pass holders using the bridge. For a period prior to January 1, 1960, instead of a card pass we had to go to what I would call a charger plate, a plastic card which the collector had to imprint on his list to account for that number of vehicles. But that procedure delayed traffic, and it was considered they should be abandoned.

Mr. HORNER (*Acadia*): I see there were 971 toll passes. This seems to me like a large amount of passes. I might say I think it might be a good idea that they were discontinued.

Mr. CÔTÉ: Well, you see, the first item is passes to C.N.R. employees who live on the south shore.

Mr. HORNER (*Acadia*): I see.

The CHAIRMAN: Have you any further questions, Mr. Horner?

Mr. HORNER (*Acadia*): Yes. With regard to the whole structure of the bridge—I do not know whether this was dealt with last Thursday or not—but the amount that you were charged against the two extra lanes built on the side of the bridge, has this amount been paid for by now by the toll collections, or what is still owing?

Mr. MILLS: Mr. Chairman and gentlemen, I think the statements that were filed with the committee last Tuesday probably give this information. At the bottom of the first statement you will see that the tolls—

The CHAIRMAN: Would that be proceedings No. 14?

Mr. CÔTÉ: No.

The CHAIRMAN: That is the statement on revenue?

Mr. CÔTÉ: Yes.

The CHAIRMAN: And that statement is being printed in today's proceedings.

Mr. HORNER (*Acadia*): I see.

The CHAIRMAN: Any other questions?

Mr. CHOWN: I am going to move we adjourn *sine die*, with the right to recall these witnesses if we wish further information as a result of our investigations of the Jacques Cartier bridge.

From my observation of the proceedings, I can only say that this is obviously a more efficient operation, by a great deal, than the other operation; and to that extent those responsible for the administration of the bridge should be congratulated.

The only thing I felt was regretful was that their records did not extend, perhaps, back as far as they should, in as much detail as they should; but this is being remedied, so they will be ready for us if we require them again at some future time.

However, I add the rider that the adjournment should be *sine die*, subject to recall by the Chair. Then, in case there is some imperative information we have not obtained that we will want to obtain, as a result of our further interrogation of the officials with respect to the Jacques Cartier bridge, then we can obtain it.

The CHAIRMAN: Before we have a seconder for that motion I want to say this: On Thursday next we have Mr. R. K. Smith as a witness, and

my thought was that if you wish Mr. Côté, Mr. Henderson and the other official to come back on that day, after you have read the proceedings of this meeting, then we could arrange for them to come back then.

Mr. DRYSDALE: Mr. Chairman, during the course of the morning I asked Mr. Henderson some questions, and, so as to not to delay the committee, I did not pursue them because I assumed we were going to sit again this afternoon.

The CHAIRMAN: That depends on whether they can get that information this afternoon or not.

Mr. DRYSDALE: On the point Mr. Chown made, I would submit we cannot adjourn the committee *sine die* under the rules.

Mr. PIGEON: I would like to place that question before the committee.

The CHAIRMAN: Gentlemen, Mr. Côté feels that it would give them a better chance to get the records in shape if they could appear again before us on Thursday of next week.

Mr. CHOWN: That is agreeable. Let us make that the motion. I will adjourn—

The CHAIRMAN: No, you cannot do that. If it is agreeable to the committee, we do not want any adjournment of the committee, because we are sitting on Tuesday, when, as I mentioned before, we shall have Mr. Marler, Mr. Hees and Mr. Chevrier present.

So, if it is agreeable, and if Mr. Côté, Mr. Henderson and the officials can be here next Thursday, we will adjourn now, for the time being, and sit on Tuesday next. Then these gentlemen will be back on Thursday.

M. BOURGET: Was it not possible to have Mr. R. K. Smith on Tuesday, so we would have the ministers after the witness?

The CHAIRMAN: That has been explored, and I think the Clerk of the Committee spoke to Mr. Chevrier regarding that. He explained that Mr. R. K. Smith is moving to Nova Scotia, and he is not a very well man, from what I understand.

Mr. BOURGET: Has this been explained to Mr. Chevrier?

The CHAIRMAN: Yes, this was explained to Mr. Chevrier by the Clerk of the Committee. I think that he is quite agreeable that be done.

Mr. BOURGET: So be it.

The CHAIRMAN: We will adjourn now and sit again on next Tuesday at 9.30 in the morning, in this room. Then we will have these C.N.R. gentlemen back on Thursday of next week.

Thank you very much, gentlemen; I appreciate your attendance.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANAUX ET LIGNES TÉLÉGRAPHIQUES

(Page 990)

M. PIGEON: Monsieur Henderson, je voudrais démontrer, très clairement, que la déclaration de M. Harris, du National-Canadien, parue dans *Le Devoir*, du samedi 13 février dernier, au sujet de l'augmentation du revenu au pont Victoria, lors de l'installation des machines pour le péage automatique, est fausse et fallacieuse. Et pour cela, je veux me servir, cette fois, du rapport sur les véhicules que vous avez soumis lors de la séance du jeudi 5 mai, tel qu'il apparaît à la page 868 du rapport officiel.

On voit, d'après ce rapport, que l'augmentation du nombre des véhicules, pour les mois d'août et septembre, entre les années 1958 et 1959, est de 23.5 p. 100 et de 19.35 p. 100 respectivement. Cette augmentation est due au fait qu'en 1958 il n'y avait qu'une seule voie en opération sur le pont, alors qu'en 1959 il y en avait deux.

Il faut donc conclure que lorsque vous avez mis les machines en opération en mai 1958, alors qu'il n'y avait qu'une seule voie, il devrait y avoir aussi cette même diminution de circulation d'environ 20 p. 100.

Comment se fait-il, alors, que l'on déclare que l'augmentation des revenus, pendant la période comparant la perception manuelle et la perception automatique, augmente de 5 p. 100, alors qu'il n'y avait qu'une seule voie en opération?

M. PIGEON: Vous avez dit que vous aviez des machines semi-portatives, pour remplacer celles qui étaient défectueuses. Combien aviez-vous de machines semi-portatives pour remplacer les machines défectueuses?

M. PIGEON: Est-ce qu'il pouvait arriver des cas où les machines étaient défectueuses et que vous n'aviez pas de machines semi-portatives pour les remplacer?

M. PIGEON: Dans un tel cas, est-ce que les voitures pouvaient passer sans payer sur les lumières vertes? Est-ce que ça pouvait arriver?

(Page 991)

M. PIGEON: Si ces voitures avaient payé, vos revenus auraient normalement augmenté beaucoup plus, et le pourcentage d'augmentation serait beaucoup plus élevé que celui mentionné dans la fameuse déclaration de M. Harris?

M. PIGEON: Durant plusieurs heures par jour?

M. PIGEON: Oui, mais ce que je veux expliquer, également, c'est que, à un moment donné, il pouvait arriver que vous n'aviez plus de machines semi-portatives pour remplacer celles qui étaient défectueuses?

(Page 991)

M. PIGEON: Oui, mais je suppose que les voitures passaient; si les machines étaient défectueuses durant une heure ou deux, il pouvait passer peut-être, je ne sais pas combien de centaines de véhicules durant ces heures-là, c'est une perte de revenu?

M. PIGEON: Oui, mais vous avez dit également que ça pouvait se produire une fois par jour en moyenne?

M. PIGEON: Mais est-ce que les machines ont été installées suivant les spécifications du manufacturier?

(Page 992)

M. PIGEON: Mais est-ce qu'il pouvait se produire, à un moment donné, des deux côtés du pont, que les machines aient été défectueuses?

M. PIGEON: Oui. Plusieurs personnes m'ont dit que les lumières de circulation, "contrôlées" par les machines, fonctionnaient mal?

M. PIGEON: Mais ce qui me renverse, encore une fois, c'est qu'à tous les jours les machines étaient défectueuses à un moment donné de la journée. Je ne puis m'expliquer cela; d'autant plus que ces machines, est-ce qu'elles étaient louées ou vendues par la compagnie?

M. PIGEON: D'après vous, comme cela, en général, lorsque les machines étaient défectueuses, cela n'a pas entraîné une perte de revenu? Cela n'a pas entraîné de perte de revenu?

M. PIGEON: Parce que les machines pouvaient passer sans payer?

M. PIGEON: Combien de temps, par exemple, les machines, les voitures automobiles pouvaient-elles passer directement avant que le "supervisor" s'en aperçoive?

(Page 993)

M. PIGEON: Oui, mais combien de fois, par exemple, à cause des déficiences des machines, les lumières de circulation, c'est-à-dire les lumières de circulation contrôlées par les machines, étaient défectueuses, de temps à autre; combien de fois par jour?

M. PIGEON: Comme cela, vous pouvez nous donner ici, à la prochaine séance du comité, depuis l'installation des machines automatiques, le nombre de fois qu'elles ont été défectueuses, la période de temps approximative qu'elles l'ont été chaque jour? Et puis la perte de revenu probable?

(Page 1000)

M. PIGEON: Je voudrais avoir des explications précises, si c'est possible, sur ce que je vais vous demander. Comment pouvez-vous expliquer, qu'au moment de la perception automatique, il n'y avait qu'une seule voie de circu-

lation, et non seulement il n'y a pas eu de diminution, comme on devrait s'y attendre, mais il y a eu une augmentation de 5.4 p. 100 de revenu, comme vous l'avez déclaré vous-même?

M. PIGEON: Je réfère, ici, à une augmentation que vous avez calculée, qui a été calculée, qui a été donnée par vous, qui a été donnée par M. Henderson.

M. PIGEON: Ce matin, je veux dire. Durant les mois de mai, juin, juillet, août, septembre et octobre 1958?

M. PIGEON: Tout-à-l'heure, dans votre "statement", vous vous êtes "basé", si on se réfère à la page 868 du rapport anglais du "standing committee", pour l'augmentation vous vous êtes "basé" sur le mois de novembre: 3.16. Pourquoi n'avez-vous pas pris les mois d'août et septembre?

M. PIGEON: Est-ce que vous êtes prêt à dire que, depuis l'installation du système automatique, il y a eu un accroissement de revenu sur le pont Victoria?

(Page 1001)

M. PIGEON: Est-ce que vous êtes prêt à affirmer que ces revenus ont augmenté d'une moyenne de 40 p. 100 à 42 p. 100?

M. HENDERSON: Non.

M. PIGEON: Est-ce qu'il serait possible que vous produisiez les revenus mensuels, divisés comme il suit: Camions, autobus, voitures à passagers, payant 25 c., voitures à prix réduit. J'aimerais bien que ces rapports soient produits, pour la période du premier janvier 1955 au 31 décembre 1959, de façon à pouvoir comparer les revenus, mois par mois, lorsqu'il y avait deux voies en "opération", lorsqu'il n'y avait qu'une seule voie, lorsque la perception était faite manuellement, lorsque la perception était faite automatiquement?

M. PIGEON: O.K. M. Henderson, Est-ce que vous avez le pourcentage de l'augmentation du revenu du Pont Victoria depuis l'installation du système automatique, même si à un moment donné les machines étaient défectueuses et qu'il n'y avait qu'une seule voie en "opération"?

M. PIGEON: Est-ce que vous croyez, monsieur Côté, que le fait d'avoir vérifié des percepteurs, d'avoir fait des vérifications sur deux ou trois percepteurs une fois par année, est-ce que vous trouvez que l'on peut dire que ce sont des vérifications qui ont été faites dans l'intérêt du public?

(Page 1002)

M. PIGEON: J'ai deux questions à poser avant la fin. Je remarque que les vérifications, qui ont été faites auprès des percepteurs, ont été moins nombreuses qu'au pont Jacques-Cartier.

Il appert, d'après les chiffres qui ont été donnés, que sur le pont Jacques-Cartier le revenu a augmenté après l'installation du système de perception automatique. Alors je...

M. PIGEON: Mais je me demande comment il se fait que l'on n'a pas fait de vérification des percepteurs aussi, autant de fois et aussi régulièrement que cela a été fait sur le pont Victoria; on a fait moins de vérifications.

(Page 1002)

M. PIGEON: O.K. C'est parce que je remarque, dans le document, que durant l'année 1947, un seul percepteur a été vérifié, une seule fois.

M. PIGEON: Et puis, en 1948, quatre percepteurs ont été vérifiés, une fois chacun. En 1950, quatre percepteurs ont été vérifiés, une fois chacun. En 1955, pour les raisons que vous avez mentionnées, il n'y a pas eu de vérification. En 1956, deux percepteurs ont été vérifiés, une fois chacun. En 1943, deux percepteurs ont été vérifiés, une fois chacun. Et en 1942, ce fut la même chose. Alors, c'est pour cela que je constate qu'il y a certainement eu un manque de la part des autorités concernées. Je crois que cette manière d'agir n'était pas conforme aux exigences des intérêts publics.

APPENDIX "A"

VICTORIA JUBILEE BRIDGE

INCOME AND EXPENDITURE STATEMENT—1900-1959 INCLUSIVE

REVENUES	
Toll.....	\$ 15,484,600
Other.....	231,000
	<u>15,715,600</u>
EXPENSES.....	18,959,000
EXCESS OF EXPENSES OVER REVENUES.....	<u>\$ 3,243,400</u>

VICTORIA JUBILEE BRIDGE

INCOME AND EXPENDITURE STATEMENT—1900-1959 INCLUSIVE

	Total	Roadway	Bridge
REVENUES.....	\$ 15,715,600	\$ 15,484,600	\$ 231,000
EXPENSES			
Wages of toll collectors, supervisors, etc.....	1,812,100	1,812,100	—
Toll collecting supplies and expenses.....	290,000	290,900	—
Maintenance.....	3,571,500	2,332,600	1,238,900
Municipal taxes.....	875,900	545,400	330,500
Depreciation.....	4,595,800	2,642,900	1,952,900
Interest (at 3½% on Net Capital Investment).....	7,812,900	4,466,200	3,346,600
	<u>18,959,000</u>	<u>12,090,100</u>	<u>6,868,900</u>
EXCESS OF EXPENSES OVER REVENUES.....	<u>\$ 3,243,400</u>	<u>\$ (3,394,500)</u>	<u>\$ 6,637,900</u>

NOTE: A division of Maintenance, Taxes, Depreciation and Interest charges has been made between the Bridge proper and Roadway portion—50% to Bridge and 50% to Roadway.

Canadian National Railways
Accounting Department
Montreal, 6 May, 1960.

STANDING COMMITTEE

VICTORIA JUBILEE BRIDGE

TOLL REVENUES—1900-1959

Year	Toll Revenue	10 Year Total Revenue	Year	Toll Revenue	10 Year Total Revenue
	\$	\$		\$	\$
1900.....	8,000*		1930.....	447,900	
1901.....	9,100*		1931.....	407,600	
1902.....	9,900*		1932.....	310,600	
1903.....	10,500*		1933.....	288,400	
1904.....	11,000*		1934.....	259,000	
1905.....	11,500*		1935.....	252,500	
1906.....	12,000*		1936.....	255,700	
1907.....	12,200		1937.....	274,800	
1908.....	16,300		1938.....	266,500	
1909.....	11,600		1939.....	270,000	
		112,100			3,033,000
1910.....	12,500		1940.....	264,900	
1911.....	14,100		1941.....	285,200	
1912.....	13,700		1942.....	220,500	
1913.....	16,600		1943.....	194,000	
1914.....	22,500		1944.....	202,100	
1915.....	24,600		1945.....	225,600	
1916.....	27,300		1946.....	300,200	
1917.....	33,500		1947.....	329,000	
1918.....	39,100		1948.....	329,100	
1919.....	63,200		1949.....	353,600	
		267,100			2,704,200
1920.....	86,400		1950.....	394,500	
1921.....	117,400		1951.....	449,100	
1922.....	134,200		1952.....	499,000	
1923.....	181,600		1953.....	594,200	
1924.....	200,400		1954.....	608,600	
1925.....	245,700		1955.....	667,900	
1926.....	287,900		1956.....	765,600	
1927.....	364,900		1957.....	915,900	
1928.....	448,300		1958.....	867,300	
1929.....	574,000		1959.....	965,300	
		2,640,800			6,727,400
			TOTAL.....		\$ 15,484,600

* Revenues 1900-1906 estimated.

Canadian National Railways
Accounting Department,
Montreal, 7 April, 1960.

VICTORIA JUBILEE BRIDGE

STATEMENT OF ROADWAY EXPENSES—1900-1959 INCLUSIVE

	60 years 1900-1959	10 years 1950-1959	10 years 1940-1949	10 years 1930-1939	10 years 1920-1929	10 years 1910-1919	10 years 1900-1909
	\$	\$	\$	\$	\$	\$	\$
ROADWAY EXPENSES:							
Wages of toll collectors, supervisors, etc.	1,812,100	884,500	361,300	267,600	223,700 ⁽¹⁾	53,000 ⁽¹⁾	22,000 ⁽¹⁾
Toll collecting supplies and expenses	290,900	172,400	37,100	43,300	32,800 ⁽¹⁾	3,700 ⁽¹⁾	1,600 ⁽¹⁾
Maintenance ⁽²⁾	2,332,600	586,300	791,500	359,100	430,700 ⁽¹⁾	95,000 ⁽¹⁾	70,000 ⁽¹⁾
Municipal taxes ⁽²⁾	545,400	236,300	212,700	96,400	—	—	—
Depreciation ⁽²⁾	2,642,900	369,400	451,100	425,400	416,300	364,000	355,700
Interest (at 3½% on Net Capital Investment) ⁽²⁾	4,466,200	681,200	550,300	672,000	751,100	838,400	973,200
Total Roadway Expenses.....	12,090,100	3,191,100	2,404,000	1,863,800	1,854,600	1,354,100	1,422,500

Notes—⁽¹⁾ Information on wages, supplies and maintenance expenses prior to year 1924 is not available. These expenses for the 24 years 1900-1923 inclusive have been estimated.

⁽²⁾ A division of Maintenance, Taxes, Depreciation and Interest charges has been made between the Bridge proper and the Roadway portion—50% to Bridge and 50% to Roadway. The above noted expenses include this 50%.

Canadian National Railways
Accounting Department
Montreal, 7 April, 1960.

STANDING COMMITTEE

VICTORIA JUBILEE BRIDGE

INCOME AND EXPENDITURE STATEMENT—1955-1959 INCLUSIVE

	1959	1958	1957	1956	1955
	\$	\$	\$	\$	\$
TOLL REVENUES.....	965,300	867,300	915,900	765,600	667,900
ROADWAY EXPENSES:					
Wages of toll collectors, supervisors, etc.....	105,200	114,600	119,700	115,000	89,300
Toll collecting supplies and expenses.....	86,100	43,300	9,000	3,800	5,300
*Maintenance.....	31,600	164,000	148,700	38,100	26,600
*Municipal taxes.....	14,400	8,600	12,700	15,100	32,000
*Depreciation.....	102,900	100,600	84,500	84,500	59,500
*Interest (at 3½% on Net Capital Investment).....	87,400	89,100	75,500	78,700	54,000
Total Roadway Expenses.....	427,600	520,200	450,100	335,200	266,700
EXCESS OF TOLL REVENUES OVER ROADWAY EXPENSES	537,700	347,100	465,800	430,400	401,200

*A division of Maintenance, Taxes, Depreciation and Interest charges has been made between the Bridge proper and the Roadway portion—50% to Bridge and 50% to Roadway. The above noted expenses include this 50%.

Canadian National Railways
Accounting Department
Montreal, 7 April, 1960.

VICTORIA JUBILEE BRIDGE

CAPITAL EXPENDITURE STATEMENT

	Division of Total		
	Total	Railway Bridge	Roadway
	\$	\$	\$
1859-1954			
Cost of construction plus additions and betterments to December 31, 1954.....	8,476,570	7,701,570	775,000
1955-1956			
Removal of car tracks of Montreal and Southern Counties Railway Co. and construction of roadway on down- stream side.....	1,137,369	—	1,137,359
1958-1959			
Construction of new roadway on upstream side and expenses in connection with the installation and operation of the new toll collection facilities.....	518,859	—	518,859
Total capital expenditures at Dec. 31, 1959....	10,132,798	7,701,570	2,431,228

Canadian National Railways
Accounting Department,
Montreal, 7 April, 1960.

APPENDIX "B"

CANADIAN NATIONAL RAILWAYS

TARIFF OF TOLLS

VICTORIA BRIDGE—MONTREAL

From 1900 to 1959 Inclusive

List Of Tariffs Referred To In This Report:

Tariff No.	Effective Date
217	October 15, 1900
424	June 1, 1909
Supp. No. 1	June 1, 1910
626	April 1917
631	April 13, 1917
Supp. No. 1	March 1, 1920
Supp. No. 2	July 7, 1921
Supp. No. 3	September 5, 1923
E. 23	September 28, 1923
Supp. No. 1	January 1, 1927
Supp. No. 2	April 15, 1927
Supp. No. 3	June 10, 1927
Supp. No. 4	September 16, 1929
E. 23-1	March 15, 1932
E. 23-2	August 24, 1935
Supp. No. 1	December 2, 1936
Supp. No. 2	January 15, 1938
Supp. No. 3	January 14, 1939
Supp. No. 4	February 15, 1941
Supp. No. 5	June 15, 1941
E. 23-3	October 1, 1954
E. 23-4	May 10, 1958
E. 23-5	May 10, 1958
E. 23-6	February 26, 1959

STANDING COMMITTEE

CANADIAN NATIONAL RAILWAYS
TARIFF OF TOLLS

VICTORIA BRIDGE—MONTREAL
From 1900 to 1959 Inclusive

GRAND TRUNK RAILWAY SYSTEM
VICTORIA JUBILEE BRIDGE—TARIFF OF TOLLS
Tariff No. 217

Effective October 15, 1900

Signed—Gen. Pass. and Tkt. Agent—G. T. Bell
—Asst. Gen. Pass. and Tkt. Agent—H. G. Elliott

Superseded by

GRAND TRUNK RAILWAY SYSTEM
VICTORIA JUBILEE BRIDGE TOLLS
Tariff No. 424

C.R.C. No. E, 1000
Cancelling C.R.C. No. E. 22
Effective June 1st, 1909

	One Way	Over and Return
<i>Added</i> —"Passengers in Vehicles".....	.05	.10
—"Motor Delivery Wagons		
One ton or less.....	.15	.25
Over one ton.....	.25	.50
<i>Changes in Rates</i>		
Vehicle (Passenger Carrying) Drawn by—Two Animals.....	.25 (.25)	.40 (.50)
Vehicle (Not Passenger Carrying) Drawn by—		
One Animal.....	.15 (.20)	.15 (—)
Two Animals.....	.25 (.40)	.25 (—)
Three Animals.....	.45 (.55)	— (—)
Four Animals.....	.60 (.70)	— (—)

These rates further amended by adding—

"RETURN SAME DAY"

Milkmen's Vehicles	One Way	Over and Return
<i>Milkmen's Vehicles</i>		
Drawn by one animal.....	— (—)	.15 (.25)
Drawn by two animals.....	— (—)	.25 (.50)

Signed by: General Passenger Agent—Geo. W. Vaux
First Asst. Gen. Pass. Agent—H. C. Elliott

Rates in brackets are those of previous tariff.

*Superseded by*Supp. No. 1 to
C.R.C. No. E. 1000.

SUPPLEMENT No. 1 TO TARIFF No. 424

Effective June 1st, 1910.

The round trip fares of 15c and 25c for (not-passenger carrying) vehicles drawn by one animal, and by two animals, respectively, will, commencing June 1st permit of return on *date of issue and following day* instead of it being necessary for the vehicle to return *same day*.

Superseded by TARIFF No. 626C.R.C. No. E. 2561
Cancelling C.R.C. No. E. 1000

GRAND TRUNK RAILWAY SYSTEM

Passenger Traffic Department

VICTORIA JUBILEE BRIDGE TOLLS

Passenger Tariff No. 626—Cancelling Tariff No. 424

Effective April, 1917.

Traffic classified into FIVE major groups, and numbered 1 to 5.

1. Passengers	One Way	Over and Return
In vehicles.....	.05 (.05)	— (.10) Each
On horseback.....	.15 (.15)	— (.25) Each
On Bicycle, Tandem bicycle, Tricycle or similar vehicle (not Motorcycles) ridden by one or more persons.....	.05 (.05)	— (.10)
"Extra bicycle" deleted in this tariff.		
2. Hand vehicles.....	.15 (.15)	— (.25)
3. Vehicles drawn by Animals		
Vehicle hauled by dog or goat.....	.15 (.15)	— (.25)
Passenger—Carrying vehicles Drawn by—		
ONE Animal.....	.15 (.15)	— (.25)
TWO Animals.....	.25 (.25)	— (.40)
THREE Animals.....	.40 (.40)	— (—)
FOUR Animals.....	.55 (.55)	— (—)
Added—"Oil Tanks Drawn by two Animals.....	.60	—
4. Motor driven vehicles		
Distinction clearly made between passenger-carrying and traffic vehicles, also vehicles motor-driven and drawn by animals. Also distinction between LOADED and EMPTY traffic vehicles.		

Rates in brackets are those of previous tariff.

	One Way	Over and Return
Motor Cycles (first time mentioned as such).....	.15	—
Automobiles (Passenger).....	.25 (15)	— (25)
Traffic Vehicles; Loaded		
2 Tons and under.....	.60	—
Over 2 Tons and not over 4 Tons.....	.90	—
Over 4 Tons.....	1.20	—
Traffic Vehicles Empty		
2 Tons and Under.....	.30	—
Over 2 Tons and not over 4 Tons.....	.45	—
Over 4 Tons.....	.60	—
NOTE—Classified as Motor Delivery Wagons in previous tariff—no distinction between LOADED or EMPTY and previous tariff read:		
One Ton or Less.....	.15	.25
Over One Ton.....	.25	.50

5. No change for STOCK (single or in droves).

The qualification "RETURN" tickets changed to "ROUND TRIP".
 The classification "EXTRA VEHICLES" (15c) dropped in this tariff.
 The classification "MILKMEN'S VEHICLES" discontinued.

Number of Signatories increased to three:

1. Passenger Traffic Manager—G. T. Bell
2. General Passenger Agent—W. S. Cookson
3. Asst. Gen. Passenger Agent—C. W. Johnston

Superseded by TARIFF No. 631

C.R.C. No. E. 2582

Cancelling C.R.C. No. E. 2561

GRAND TRUNK RAILWAY SYSTEM

Passenger Traffic Department

VICTORIA JUBILEE BRIDGE TOLLS

PASSENGER TARIFF NO. 631

(Cancelling Tariff No. 626)

In Effect April 13th, 1917

1. *Passengers*

Reduction in tariff covering passengers on foot or in vehicles, or on Bicycles, Tandem Bicycle, Tricycle, or similar vehicle (not Motorcycles) ridden by one or more persons.

Previous rate	6 tickets for 25¢
Now	8 tickets for 25¢

4. *Motor Driven Vehicles*

Rate for Automobiles (passenger) including person in charge unchanged 25¢ one way but following trip commuter tickets introduced.

10 trip tickets	2.00
20 trip tickets	3.00
50 trip tickets	5.00

ALL non-transferable, good for one month, one way, 50 trip tickets good for three months.

Rates in brackets are those of previous tariff.

Traffic Vehicles

Distinction between LOADED and EMPTY discontinued and new rates effective

2 TONS and under .....	.40
Over 2 Tons and not over 4 Tons .....	.60
Over 4 Tons .....	.90

5. *Stock*—no change in rates per head.

Signed by same signatories as Tariff 626.

SUPPLEMENT NO. 1 TO
PASSENGER TARIFF NO. 631

Effective March 1, 1920.

Traffic Vehicles (not passenger-carrying)

Preceding tariff amended by establishing a rate for vehicles for 1 ton and under:

1 TON AND UNDER	25¢ each way
Over 1 TON and not over 2 Tons	40¢ each way

Previous tariff showed lowest rate was for vehicles 2 TONS and under 40¢ each way.

SUPPLEMENT NO. 2 TO TARIFF NO. 631
(CANCELS SUPP. NO. 1)

Effective July 7th, 1921.

Traffic Vehicles also designated as "TRUCKS"

Tickets in strips of 10 sold at no reduction.

Classification of "TRAILERS" introduced.

Trailers Hauled by Traffic Vehicles (not passenger-carrying)

1 TON AND UNDER	20¢	2.00
OVER 1 TON and not over 2 Tons	30¢	3.00
OVER 2 TONS and not over 4 Tons	45¢	4.50
OVER 4 TONS and not over 5 Tons	70¢	7.00

Note: No Traffic Vehicle (Truck) nor Trailer of greater capacity than 5 TONS may cross the roadway of the Bridge.

Capacity must be plainly marked on Traffic Vehicles and Trailers.

Steam Rollers will not be permitted on the roadway of the Bridge.

Tickets in strips of 10 will be limited to three (3) months from date of sale.

SUPPLEMENT NO. 3 TO
GRAND TRUNK RAILWAY SYSTEM
PASSENGER TARIFF NO. 631
OF
VICTORIA JUBILEE BRIDGE TOLLS

Effective September 5, 1923.

The above described schedule of Tolls for Passengers, Vehicles and Live-stock traversing the roadway of the Victoria Jubilee Bridge between Montreal, Que., and St. Lambert, Que., is hereby cancelled and withdrawn from the files of the Board of Railway Commissioners for Canada.

Signed: Passenger Traffic Manager, Monreal.

Passenger Traffic Manager, Toronto.

Issued by: Gen. Pass. Traffic Mgr., Montreal.

Manager, Tariff and Ticket Bureau, Montreal.

TARIFF NO. 631 superseded by TARIFF NO. E. 23

CANADIAN NATIONAL RAILWAYS
(Port Arthur, Ont. Armstrong, Ont. and East)

PASSENGER TRAFFIC DEPARTMENT
LOCAL PASSENGER TARIFF
NO. E. 23
(Cancels G.T.R. Tariff No. 631)

Effective September 28, 1923.

Note: Previous Tariffs referred to Grand Trunk Railways trains, now referred to trains of Canadian National Railways.

- (1) *Passengers*
Same rates as previous tariff
- (2) *Vehicles Drawn by Animals*
 - (A) Passenger-carrying vehicles No Change
 - (B) Traffic Vehicles
 - Drawn by One (1) Animal No Change
 - Two (2) Animals No Change
 - Three (3) Animals No Change
 - Four (4) Animals No Change

- (4) *Motor-Driven Vehicles*
Same rate (25¢ one way) but defines Passenger Cars as “the standard seating capacity of which does not exceed seven persons.”
Rate of 60¢ introduced to cover Autobuses also Trucks converted or fitted temporarily or permanently for the transportation of more than seven (7) persons. Toll includes person in charge.

Traffic Vehicles (Trucks) Non-Passenger-Carrying
Same rates as Supp. No. 2, Tariff No. 631 but no tickets in strips of 10 shown on this Tariff E.23.

Trailers Hauled by Traffic Vehicles (Non-Passenger)
Same rates as Supp. No. 2, Tariff No. 631 but no tickets in strips of 10 shown on this Tariff E.23.

SUPPLEMENT NO. 1 TO TARIFF E. 23

Effective January 1, 1927.

Section 4 *Motor Drawn Vehicles* of Tariff E. 23 amended by adding the following:
Trucks (loaded with farm products, manure and artificial fertilizer only)
50-trip tickets, good for six (6) months; (toll includes passage of driver)
—\$5.00.

Note: This form of commutation ticket will be issued and accepted for passage only for One-Ton trucks, when loaded with farm products, manure and artificial fertilizers, upon presentation of certificate issued to the applicant by the Department of Horticultural Service of the Province of Quebec. The number of the certificate will be endorsed by ticket agent on the cover of the ticket.

Tickets will not be honored for passage of farmers’ trucks returning with lands of merchandise.

SUPPLEMENT NO. 2 TO TARIFF NO. E. 23
(Supp. No. 1 Continues In Effect)

Effective April 15, 1927.

Tariff E. 23 is further amended as follows:

Section (4) (D) Motor-Driven Vehicles—add new rates

Traffic Vehicles (trucks)—Non-Passenger-Carrying

Over 5 tons—not over 6 tons—Single tickets \$1.00

(Toll includes passage of driver)

Note: No vehicle having a width in excess of seven feet (7'), or carrying loads exceeding that width will be allowed to cross the Victoria Bridge, except between the hours of 11:30 P.M. and 4:30 A.M. (Standard Time) and then only subject to such delay as may be occasioned by accommodating the regular flow of traffic.

The gross weight of trucks, including weight of vehicle and contents, is restricted to 9 tons (18,000 lbs.) of which not more than 6 tons (12,000 lbs.) may be on any one axle. The same restrictions apply to trailers.

SUPPLEMENT NO. 3 TO TARIFF NO. E. 23

(Supplement No. 1 hereby cancelled.

Supplement No. 2 continues in effect)

Effective June 10, 1927.

This supplement amended the rates for Trucks loaded with farm products, manure and artificial fertilizers only as follows:

50 trip tickets, good for six months (toll includes passage of driver)

1 Ton Trucks \$5.00

1½ Ton Trucks \$7.50

SUPPLEMENT NO. 4 TO TARIFF E. 23

Effective September 16, 1929

Tariff No. E. 23 is amended as follows:

Section 4: *Motor Driven Vehicles*

(1) *Autobuses*—Operated on regular schedules by Incorporated Companies for the Transportation of Passengers:

The following tolls are hereby authorized and will be collected as per table below in accordance with seating capacity of such vehicles, regardless of their occupancy at the time of entering or transerving the Bridge. Tickets will be sold in books of 100, at rates specified hereunder and will be valid for crossing the Bridge in either direction.

Maximum Seating capacity of Autobus	Rate Per 100 Tickets
16 Passengers	\$ 80.00
21 "	90.00
25 "	95.00
29 "	100.00

100-book tickets will be valid for use within one year of date of issue.

(2) *Autobuses*—Not operating on regular schedules; also Trucks converted or fitted temporarily or permanently for the transportation of more than seven (7) persons (Toll includes person in charge)

One-way crossing \$.60

CANADIAN NATIONAL RAILWAYS
(Passenger Traffic Department)

LOCAL PASSENGER TARIFF NO. E. 23-1
(Cancels TARIFF NO. E. 23)

Effective March 15, 1932.

- (1) *Passengers*—No change from Tariff E. 23.
- (2) *Live Stock*—“ “ “ “ “ “.
- (3) *Vehicles Drawn by Animals*
- | | |
|-------------------------------------|------------------------------|
| (A) Passenger-Carrying— | No Change from Tariff E. 23. |
| (B) Traffic Vehicles— | “ “ “ “ “ “ |
| (C) Oil Tanks drawn by two animals— | “ “ “ “ “ “ |
| (D) Vehicles drawn by dog or goat— | “ “ “ “ “ “ |
- (4) *Hand Vehicles* “ “ “ “ “ “
- (5) *Motor-Driven Vehicles* “ “ “ “ “ “
- This Tariff E. 23.1 includes rate for:
- Traffic Vehicles (Truck)*
- Over 6 Tons—Not over 7 tons, Single tickets \$1.20
- Over 7 Tons—Not over 8 tons, Single tickets \$1.50

- (6) *Autobuses* No change from Tariff E. 23.

Signed: Gen. Pass. Traffic Manager, Montreal.
Asst. Gen. Pass. Traffic Manager, Montreal.

Issued by: Manager, Tariff and Ticket Bureau, Montreal.

LOCAL PASSENGER TARIFF
No. E. 23-2
(Cancels Tariff No. E. 23-1)

Effective August 24, 1935.

- (1) *Passengers*
- Passengers on foot or in or on any vehicle—not including the driver of such vehicle—or in Bicycle, Tandem Bicycle, Tricycle or similar vehicles (not Motorcycles) ridden by one or more persons.
- Rates further reduced from
Eight Tickets (in strip) to
Ten Tickets (in strip) same rate, .25 one way.
- (2) *Live Stock*—No change.
- (3) *Vehicles Drawn By Animals*
- | | <i>One Way</i> | <i>Return</i> |
|-------------------------|----------------|---------------|
| (A) Passenger-Carrying | | |
| Drawn by One (1) Animal | .10 (.15) | — |
| Two (2) Animals | .20 (.25) | — |
| Three (3) Animals | .40 (.40) | — |
| Four (4) Animals | .55 (.55) | — |

Rates in brackets are those of previous tariff.

(3) (B) *Traffic Vehicles—Non-Passenger-Carrying*

Drawn by One (1) Animal	.10 (.15)	.10 (.15)
Drawn by Two (2) Animals	.20 (.25)	.20 (.25)
Drawn by Three (3) Animals	.45 (.45)	— —
Drawn by Four (4) Animals	.60 (.60)	— —

Note: One way and Return rates are identical on vehicles drawn by one and two animals.

(C) Oil Tanks —No Change

(D) Vehicles drawn by dog or goat —No Change

(4) *Hand Vehicles* —No Change(5) *Motor-Driven Vehicles*

(A) Motorcycles —No Change

(B) Automobiles

Single Tickets .25 (.25)

10-Trip Tickets, one (1) month 1.50 (2.00)

50-Trip Tickets, four (4) months 3.00 (5.00)

(C) Traffic Vehicles (Trucks) —No Change

(D) Trailer hauled by Traffic Vehicles—No Change

(E) Trucks (loaded with farm products, etc.)

50-Trip Tickets, good for 6 months

1 Ton Trucks \$3.00 (5.00)

1½ Ton Trucks \$5.00 (7.50)

Added: Trailer loaded with farm products, .10c one way.

Trailer (light) FREE

Coupon of one ton truck 50-trip ticket will be accepted in lieu of 10c cash.

(6) *Autobuses* —No Change

Signed: Gen. Pass. Traffic Mgr., Montreal.

Asst. Gen. Pass. Traffic Mgr., Montreal.

Issued By: Chief of Tariff Bureau, Montreal.

SUPPLEMENT NO. 1 TO
LOCAL PASSENGER TARIFF NO. E-23-2

Effective December 2, 1936.

Rule 6 of Tariff E-23-2 is cancelled and the substitution changes the definition of Autobuses by removing "*by Incorporated Companies*".

SUPPLEMENT NO. 2 TO
LOCAL PASSENGER TARIFF NO. E-23-2
(Supplement No. 1 continues in effect)

Effective January 15, 1938.

This Supplement refers to the "Special Round Trip Automobile Evening Ride Toll" and the Interchangeability of Tickets between Victoria Jubilee Bridge and the Jacques Cartier Bridge on certain tickets.

Rates in brackets are those of previous tariff.

(8) *Special Round Trip Automobile Evening Ride**Over and Return*

- (A) Special round trip toll for passage of one standard passenger automobile, including driver and occupants 40 Cents
- (B) Special round trip applies for one passenger automobile, not exceeding seven persons.
- (C) Tickets issued at special round trip will be valid as follows:
 Going Trip—From 7.00 p.m. until Midnight date of issue.
 Return Trip—Until 7.00 a.m. of day following date of issue.

(9) *Interchangeability of tickets*

Following Tickets interchangeable between Victoria Jubilee Bridge and Jacques Cartier Bridge:

- 10-Trip passenger ticket (in strip)
- 10-Trip automobile (passenger car) ticket
- 50-Trip automobile (passenger car) ticket
- 50-Trip Farmers' truck tickets (2-ton trucks)
- 50-Trip Farmers' truck tickets (1½-ton truck)
- 100-Trip Autobus ticket—16 passenger or less, bus
- 100-Trip Autobus tickets—21 passenger bus
- 100-Trip Autobus tickets—25 passenger bus
- 100-Trip Autobus tickets—29 passenger bus
- Special round trip passenger automobile evening ride ticket.

The sale of Special Round Trip Automobile Evening Rides was authorized by Order-In-Council P.C. 1726 from August 26th, 1933 to October 31, 1933, and from May 15th to October 31st thereafter. Supplement No. 2 to Tariff E-23-2, effective January 15, 1938, permitted the sale of the Evening Ride Tickets throughout the year.

As a result of negotiations between Mr. S. W. Fairweather, then Director of Bureau of Economics, C.N.R., and Mr. Alex Ferguson, Port Manager, National Harbours Board, during 1936 and 1937, Supplement No. 2 to Tariff E-23-2, effective January 15, 1938, permitted the above various types of tickets to be interchangeable between the aforementioned two Bridges.

SUPPLEMENT NO. 3 TO
 LOCAL PASSENGER TARIFF NO. E. 23-2
 (Cancels Supplement No. 1, Supplement No. 2
 continues in effect, except as amended hereby)

Effective January 14, 1939.

Page 3 of Tariff E. 23-2 amended by adding the following rate for Farmers' Trucks:

2 Ton Trucks (50-trip tickets)	\$7.50
--------------------------------	--------

Page 3 of Tariff and Supplement No. 1 amended by adding the following for Autobus:

31 Passengers	\$102.00
33 Passengers	105.00
37 Passengers	110.00
41 Passengers	115.00

Page 1 of Supplement No. 2 covering "Interchangeability of Tickets" is amended by adding:

50—Trip Farmers' truck tickets (2-ton trucks)
and

100—Trip Autobus ticket 31 passenger bus

100—Trip Autobus ticket 33 passenger bus

100—Trip Autobus ticket 37 passenger bus

100—Trip Autobus ticket 41 passenger bus

Note—Farmers' Special Rate

Up to and including Tariff E. 23-1, Farmers had to present certificate issued by the Department of Horticultural Service of the Province of Quebec, but Tariff E. 23-2 (effective August 24th, 1935) changed the wording to read "upon presentation of certificate by the farmer signed by the Mayor or Secretary of the Municipality in which he operates a farm."

SUPPLEMENT NO. 4 TO
LOCAL PASSENGER TARIFF NO. E. 23-2
(Cancels Supplement No. 3, Supplement No. 2
continues in effect, except as amended hereby)

Effective February 15, 1941.

Condition of Farmers' Tickets further amended as follows:

These forms of communication tickets and cash fares will be issued and accepted for passage only of 1, 1½ and 2 ton trucks and trailers which bear current license issued in conformity with the classification of "farm vehicle" in The Motor Vehicule Act of the Province of Quebec.

SUPPLEMENT NO. 5 TO
LOCAL PASSENGER TARIFF NO. E. 23-2
(Cancels Supplement No. 4; Supplement No. 2
continues in effect, except as amended hereby)

Effective June 15, 1941.

Farmers' Special Rate further amended by adding:

2½ Ton trucks, good for six (6) months	.....	\$10.50
3 Ton trucks, good for six (6) months	.....	\$14.00

Tariff covering AUTOBUSES further amended by changing definition from "Operated on regular schedules for the transportation of passengers" to read "Operated for the transportation of passengers".

CANADIAN NATIONAL RAILWAYS
Passenger Traffic Department
SPECIAL LOCAL PASSENGER TARIFF
NO. E. 23-3
(Cancels TARIFF NO. E. 23-2)

Effective October 1st, 1954.

Width of vehicles permitted to travel on Bridge increased from seven (7) feet to seven feet six inches (7'6").

The gross weight restriction of 18,000 pounds applicable to trucks and trailers now also applies to semi-trailers.

Added: The gross weight of a combined truck or tractor and trailer or semi-trailer (weight of vehicles and contents) is restricted to 13½ tons (27,000 pounds).

(1) *Passengers*

Tariff E. 23-2 included Passengers "on foot", but
Tariff E. 23-3 does not show such a classification.

(2) *Live stock* No Change

(3) *Vehicles drawn by animals* No Change

(4) *Hand vehicles* No Change

(5) *Motor-driven vehicles*

This tariff permits acceptance of a 50-Trip Automobile (passenger car) ticket for passage of Motorcycle and driver.

(C) Traffic Vehicles (Trucks) amended to read

"Traffic Vehicles (trucks and/or tractors)"—no change in rates.

(D) Trailer hauled by Traffic Vehicles amended to read

"Trailer or semi-trailer hauled by Traffic Vehicles"—no change in rates.

(E) Farmers' Commutation tickets—

1—Restriction "non-transferable" added.

2—The ticket agent will endorse on each such ticket sold the number of the certificate *and number of the Provincial license of the vehicle*—the underlined portion was added in this tariff.

(F) This subsection was added in this Tariff:

Trucks converted or fitted temporarily or permanently for the transportation of more than seven (7) persons (Toll includes passage of driver) rate .60, one way.

(6) *Autobuses*—further amended by adding in this Tariff:

45 PASSENGERS \$120.00

Signed: Gen. Pass. Traffic Mgr., Montreal.

Issued: Manager, Tariff and Ticket Bureau, Montreal.

Superseded by TARIFF E. 23-4

SPECIAL LOCAL PASSENGER TARIFF

E. 23-4

(Cancels TARIFF E. 23-3)

VICTORIA BRIDGE TRAFFIC REGULATIONS AND TOLLS

Effective May 10, 1958.

TRAFFIC REGULATIONS

This Tariff clearly segregates and itemizes the Traffic *Allowed* and Traffic *Prohibited*.

This is the first tariff referring to (A) number of axles and tires on vehicles, (B) to motor vehicles not equipped with pneumatic tires, (C) carrying dynamite or other high explosive or any substance on fire.

This tariff also requires operator of any vehicle shall supply a weight certificate if requested to do so by a bridge attendant.

As to the dimensions of the vehicles, this tariff mentions for the first time a height limit of twelve feet, and the permissible width is hereby increased from 7'6" to eight (8) feet.

This is the first tariff mentioning and restricting a speed limit of thirty (30) miles per hour.

Tariff E. 23-4 also further restricted the traffic as follows:

- (A) No motor vehicle shall overtake or pass a moving bus on a bridge roadway.
- (B) Autobuses or motor trucks equipped with more than four (4) tires shall under no condition attempt to pass an autobus or such a truck, whether in motion or stopped, on the bridge roadways at any time.
- (C) Motor vehicles other than autobuses, having more than four (4) tires are not permitted to use traffic lanes (St. Lambert to Montreal) between 7:00 a.m. and 9:30 a.m. nor traffic lanes (Montreal to St. Lambert) between 4:00 p.m. and 6:30 p.m.

This is the first tariff that refers to "STALLED VEHICLES" and defines what action to be taken in such case.

TOLLS

MOTOR DRIVEN VEHICLES

1. (A) Taxicab and station wagon mentioned for first time and included with passenger-carrying vehicles and motorcycles.
(B) Commutation fifty (50) trips increased from \$3.00 to \$4.00—no mention of "non-transferrable" nor time limit shown on tariff.
2. This is the first tariff showing a rate for "Hearse or ambulance".

3. This tariff reclassifies "Motor-driven Vehicles" as "Commercial trucking vehicles or farm trucks".

It is also the first tariff where rate for a unit is based on the size of the tires.

Previous tariffs gave separate rates for tractors and trailers—this tariff shows a flat rate \$1.50 for a tractor-trailer combination with three (3) axles, regardless of weight within permissible maximum.

4. *Farm Trucks*

Previous tariffs covering farm trucks loaded with farm products, manure or artificial fertilizers—rates were based on rating of trucks, this present tariff reduces the five previous rates to two rates, based on the number of axles and tires. Certificate signed by mayor or Secretary of the municipality is no longer required. These rates also apply whether the truck is loaded with above mentioned commodities or travelling light.

5. *Autobus*

—Regardless of seating capacity, the rate is \$1.00 with proviso that owners of autobuses operating regular scheduled services may apply for a reduced one-way rate which shall be double the amount of the single cash bus-fare for an adult passenger between Montreal and the most distant point on the particular service concerned.

6. *Vehicles In Tow*

Tariff on trailer or semi-trailer, previously based on weight, is now based on number of axles and tires.

STANDING COMMITTEE

Superseded by TARIFF E. 23-5
(Cancels Tariff E. 23-4)

Note effective date same as E. 23-4
(May 10, 1958.)

1. (A) *Passenger-Carrying Vehicles*: motorcycles, passenger automobile, taxicab or station wagon:

A twelve (12) trip rate has been added \$2.00

Also the twelve (12) and fifty (50) trip tickets expire at the end of the month subsequent to the month in which they were purchased. They are not transferrable.

4. *Farm Trucks*

The previous two rates based on number of axles and tires are replaced by the straight rate of fifty (50) trip tickets \$4.00

7. *Interchange of Tickets*

This tariff specifies the interchangeability between the two bridges will cover the twelve (12) trip, fifty (50) trip commuter tickets, also autobus tickets.

SPECIAL LOCAL PASSENGER TARIFF

E. 23-6

(Cancels Tariff E. 23-5)

Effective February 26, 1959.

TOLLS

MOTOR DRIVEN VEHICLES

The twelve (12) trip rate of \$2.00 introduced in Tariff E. 23-5 covering passenger-carrying vehicles, motorcycles, taxicabs and station wagons is hereby cancelled, and so is the expiry at end of month subsequent to the month in which twelve (12) and fifty (50) trip tickets were purchased.

4. *Farm Trucks*

The two rates of \$4.00 and \$7.50 for fifty (50) trip tickets, based on numbers of axles and tires, are re-instated as shown in Tariff E. 23-4. This tariff also cancels the fifty (50) trip tickets rate of \$4.00 in Tariff E. 23-5.

7. *Interchange of Tickets*

Wording similar to that shown on Tariff E. 23-4, the difference "Canadian National Railways" replaced by the word "company".

NOTE: Throughout this report wherever there are two rates shown, the one in brackets refers to rates on preceding tariff or supplement thereof.

Office of General Manager,
Department of Road Transport,
Montreal, Quebec,
March 31, 1960.

APPENDIX "C"

CANADIAN NATIONAL RAILWAYS

VICTORIA BRIDGE—VEHICLE CROSSINGS

	1957			1958			1959		
	Passenger Cars	Trucks	Total Vehicles	Passenger Cars	Trucks	Total Vehicles	Passenger Cars	Trucks	Total Vehicles
January.....	479,221	25,133	504,354	490,855	28,399	519,254	463,825	38,347	502,172
February.....	457,220	27,055	484,275	445,236	22,505	467,741	449,022	40,360	489,382
March.....	514,385	30,343	544,728	537,718	30,281	567,999	510,829	41,390	552,219
April.....	533,925	36,084	570,009	565,791	31,109	596,900	538,974	55,982	594,956
May.....	604,271	38,318	642,589	647,458	35,602	683,060	612,798	38,396	651,194
June.....	611,182	51,916	663,098	641,888	34,491	676,379	578,796	24,791	603,587
July.....	646,431	41,395	687,826	600,096	24,189	624,285	618,904	36,339	655,243
August.....	674,563	45,404	720,027	550,270	44,243	594,513	685,973	48,342	734,315
September.....	597,988	37,428	635,416	547,366	43,992	591,358	649,836	55,945	705,781
October.....	626,968	36,322	663,290	577,510	40,725	618,235	636,606	50,199	686,805
November.....	577,830	30,343	608,173	566,008	39,080	605,088	572,713	51,501	624,214
December.....	529,983	27,149	557,132	522,910	43,730	566,640	573,199	48,209	621,408
	6,853,967	426,950	7,280,917	6,693,106	418,346	7,111,452	6,891,475	529,801	7,421,276

APPENDIX "D"
CANADIAN NATIONAL RAILWAYS
VICTORIA BRIDGE—TOLL REVENUES

	1957		1958		1959		1958 over 1957		1959 over 1957		1959 over 1958	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
January.....	51,963		59,676	14.8	56,779	7,713	4,816	9.3	(2,897)	(4.9)		
February.....	55,961		47,518	(15.1)	56,955	(8,443)	994	1.8	9,437	19.9		
March.....	69,817		61,518	(11.9)	66,867	(8,299)	(2,950)	(4.2)	5,349	8.7		
April.....	75,473		73,186	(3.0)	78,921	(2,287)	3,448	4.6	5,735	7.8		
May.....	82,913		58,806	(29.1)	81,270	(24,107)	(1,643)	(2.0)	22,464	38.2		
June.....	87,672		72,858	(16.9)	76,322	(14,814)	(11,350)	(12.9)	3,464	4.8		
July.....	92,314		87,583	(5.1)	92,076	(4,733)	(238)	(.3)	4,493	5.1		
August.....	99,767		95,727	(4.0)	104,339	(4,040)	4,572	4.6	8,612	9.0		
September.....	87,972		85,185	(3.2)	97,303	(2,787)	9,331	10.6	12,118	14.2		
October.....	78,709		84,887	7.9	93,575	6,180	14,866	18.9	8,688	10.2		
November.....	70,241		74,106	5.5	80,913	3,865	10,672	15.2	6,807	9.2		
December.....	63,051		66,237	5.1	80,029	3,186	16,978	26.9	13,792	20.8		
TOTAL.....	915,853		867,287	(5.3)	965,349	(48,566)	49,496	5.4	98,062	11.3		

APPENDIX "E"

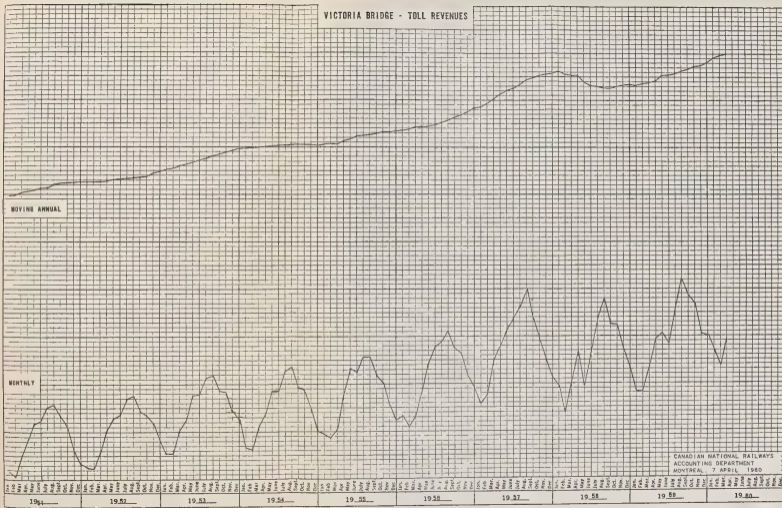
ANNUAL PASSES ISSUED OVER VICTORIA BRIDGE FOR YEARS 1958-1959.

Account	Individual	Open	Total
Can. Nat. Officers and Supervisors.....	341	22	363
Department of Transport.....	28	14	42
Trans-Canada Air Lines.....	4	—	4
Municipal Officers located in Montreal and Surrounding area.....	65	1	66
Quebec Hydro.....	6	—	6
Montreal Transportation Commission.....	5	—	5
Canadian Chamber of Commerce.....	4	—	4
Canada Steamship Lines.....	1	—	1
Clergy.....	4	—	4
Bell Telephone Company.....	13	—	13
Canadian Pacific Railway.....	16	1	17
Central Vermont Railway.....	8	1	9
National Harbours Board.....	7	—	7
New York Central.....	1	—	1
Hiltons.....	2	—	2
Southern Canada Power Company.....	2	—	2
Quebec Provincial Government.....	46	—	46
St. Lawrence Seaway.....	53	54	107
Napierville Junction Railway.....	1	—	1
Railway Association of Canada.....	3	—	3
Canadian Red Cross Society.....	11	6	17
Dominion Veterans' Affairs.....	—	6	6
St. John Ambulance.....	—	5	5
Railway Express Agency.....	—	1	1
Provincial Transport.....	1	—	1
Members of Parliament.....	12	—	12
Canadian Arthritis and Rheumatic Society.....	—	1	1
Police Chiefs.....	10	—	10
Canadian Provost Corps.....	1	—	1
Quebec Provincial Police.....	8	7	15
S.P.C.A.....	1	2	3
Montreal Sailors' Society.....	—	1	1
R.C.M.P.....	—	29	29
Senators.....	5	—	5
Quebec Workmen's Compensation Board.....	1	—	1
Soldiers' Settlement.....	4	—	4
Crippled Children's Society.....	1	12	13
Pullman Company.....	2	—	2
Post Office Department.....	4	4	8
Webb and Knapp.....	1	—	1
Press.....	37	26	63
Canadian Customs.....	10	2	12
Canadian Baggage Delivery.....	3	—	3
Finnish Consul.....	1	—	1
National Health Department.....	1	—	1
Robert Reford Company.....	4	—	4
Montreal Children's Hospital.....	—	2	2
Canadian Immigration.....	3	—	3
Cunard Line.....	1	—	1
Royal Edward Laurentian Hospital.....	—	1	1
Dominion Dept. of Agriculture.....	33	—	33
National Defence Department.....	1	—	1
McLean-Kennedy SS Co.....	1	—	1
Girls' Cottage School.....	—	1	1
Aluminum Company of Canada.....	1	—	1
Chambly Transport.....	1	—	1
Canadian Underwriters.....	1	—	1
Alexandra Hospital.....	—	1	1
Eastern Greyhound.....	1	—	1
	771	200	971

VICTORIA BRIDGE - TOLL REVENUES

MOVING ANNUAL

MONTHLY



CANADIAN NATIONAL RAILWAYS
ACCOUNTING DEPARTMENT
MONTREAL 7 APRIL 1960



HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960



STANDING COMMITTEE

ON

**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Chairman: GORDON K. FRASER, ESQ.

PROCEEDINGS

No. 17

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

TUESDAY, MAY 17, 1960

WITNESSES:

Hon. Lionel Chevrier, M.P.; Hon. George Hees, Minister of Transport;
and Hon. George C. Marler.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: Gordon K. Fraser, Esq.
Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

Allmark,	Deschatelets,	McGregor,
Asselin,	Drysdale,	McPhillips,
Badanai,	Dumas,	Monteith (<i>Verdun</i>),
Baldwin,	Fisher,	Pascoe,
Bell (<i>Saint John-Albert</i>),	Garland,	Payne,
Bourbonnais,	Grills,	Peters,
Bourget,	Horner (<i>Acadia</i>),	Phillips,
Bourque,	Horner (<i>Jasper-Edson</i>),	Pigeon,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pratt,
Brassard (<i>Lapointe</i>),	Keays,	Rapp,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Rogers,
	Lessard,	Rynard,
Bruchési,	MacInnis,	Smith (<i>Calgary South</i>),
Cadieu,	MacLean (<i>Winnipeg</i>	Smith (<i>Lincoln</i>),
Campbell (<i>Stormont</i>),	<i>North Centre</i>),	Smith (<i>Simcoe North</i>),
Campeau,	Martin (<i>Essex East</i>),	Thompson,
Chevrier,	Martini,	Tucker,
Chown,	Michaud,	Valade,
Creaghan,	McBain,	Wratten—60.
Crouse,	McDonald (<i>Hamilton</i>	
Denis,	<i>South</i>),	

Eric H. Jones,
Clerk of the Committee.

ERRATUM (*English Edition only*)

Proceedings No. 16, May 12, 1960

The graph which follows page 1033 should be inserted between pages 1016 and 1017.

ORDER OF REFERENCE

HOUSE OF COMMONS,
MONDAY, May 16, 1960.

Ordered,—That the name of Mr. Peters be substituted for that of Mr. Herridge on the Standing Committee on Railways, Canals and Telegraph Lines.

Attest.

Léon-J. Raymond,
Clerk of the House.

MINUTES OF PROCEEDINGS

TUESDAY, May 17, 1960.
(29)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Badanai, Baldwin, Bourget, Brassard (*Chicoutimi*), Browne, (*Vancouver-Kingsway*), Chevrier, Chown, Crouse, Denis, Deschatelets, Drysdale, Fisher, Fraser, Horner (*Acadia*), Howe, Keays, Lessard, Martin (*Essex East*), Martini, McGregor, McPhillips, Monteith (*Verdun*), Pascoe, Payne, Phillips, Pigeon, Rapp, Rogers and Smith (*Simcoe North*).—(29)

In attendance: The Honourable George Hees, Minister of Transport; The Honourable Lionel Chevrier, M.P.; The Honourable George C. Marler; Dr. P. M. Ollivier, Law Clerk of the House; Mr. Maurice Archer, Chairman, National Harbours Board; and Mr. Walter Smith, Ottawa Executive Representative, Canadian National Railways.

The Committee resumed its consideration of the toll-collection operations at the Jacques-Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

The interpreter, Miss Paulette Cyr, continued to be under oath.

The Honourable Mr. Chevrier was called. He made a statement; he was questioned and was retired.

The Honourable Mr. Hees was called; he was questioned and was retired.

The Honourable Mr. Marler was called; he was questioned, and, Mr. Marler being still before the Committee, it adjourned at 12.30 o'clock p.m. until immediately after Orders of the Day are reached in the House on the afternoon of this day.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings.

AFTERNOON SITTING

TUESDAY, May 17, 1960.
(30)

At 3.25 o'clock p.m. this day, the Standing Committee on Railways, Canals and Telegraph Lines resumed its consideration of the toll-collection operations at the Jacques-Cartier Bridge, Montreal, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Allmark, Baldwin, Bourbonnais, Bourget, Brassard (*Chicoutimi*), Browne (*Vancouver-Kingsway*), Chevrier, Chown, Creaghan, Deschatelets, Drysdale, Fisher, Fraser, Grills, Horner (*Acadia*), Horner (*Jasper-Edson*), Howe, Keays, Martini, McBain, McGregor, McPhillips, Monteith (*Verdun*), Pascoe, Payne, Pigeon, Rogers, Smith (*Calgary South*), Smith (*Simcoe North*), and Wratten.—(30)

In attendance: The Honourable George C. Marler, Dr. P. M. Ollivier, Law Clerk of the House; and Mr. Walter Smith, Ottawa Executive Representative, Canadian National Railways.

Mr. Marler was further questioned and was retired.

The Committee agreed to the request of Mr. Fisher that he be permitted to withdraw his request for the appearance of the Honourable C. D. Howe and the Honourable Mr. Justice J. E. Michaud. Debate ensued on what further witnesses should be heard by the Committee. On motion of Mr. McPhillips, seconded by Mr. Fisher.

Resolved,—That the Steering Committee select suitable officials of the following trucking firms, namely, Miron & Frères, Limitée; Steinberg's Ltd. and Bélanger Transport Cie Ltée, to be summoned to appear before the Committee.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings. The interpreter, Miss Paulette Cyr, continued to be under oath.

At 5.25 o'clock p.m. the Committee adjourned until 9.30 o'clock Thursday, May 19, 1960.

Eric H. Jones,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

TUESDAY, May 17, 1960
9:30 a.m.

The CHAIRMAN: Gentlemen, I see a quorum. Before we proceed this morning I have a memorandum from our clerk, Mr. Jones.

There was an error in the binding of the appendix to No. 16 of our proceedings of Thursday, May 12. By mistake the printer pasted the graph following page 1033 instead of inserting it between pages 1016 and 1017.

This graph is the final document of six which the Canadian National Railways produced regarding revenue of the Victoria bridge. I think that is all on that.

You will find that it is pasted at the back and is liable to be torn off. It is too bad it was not put inside.

This morning we have with us Mr. Chevrier, who was Minister of Transport. We also have the Hon. George Marler, who was Minister of Transport, and, of course, we have Mr. Hees.

It was thought by the steering committee that they should be heard in the order in which they became ministers of transport. So, if we are all agreed, I shall call on Mr. Chevrier first. Mr. Chevrier? Mr. Chevrier is a member of the committee, and I understand he has a statement to make.

Hon. LIONEL CHEVRIER: The statement I have is a very short one.

I was appointed Minister of Transport in April, 1945 and remained in that capacity until July 1, 1954 when I became president of the St. Lawrence seaway authority. During that period of time, the operation of the Jacques Cartier bridge was one of the responsibilities of the National Harbours Board, a crown corporation for which I was responsible to Parliament.

The National Harbours Board was established by act of Parliament. It is a body corporate and politic. It is an agent of the crown under the direction of the minister. It may employ such professional, technical and other officers, clerks and employees, as it sees fit for the proper conduct of its business. Its members are appointed by the governor-in-council. It is also a crown corporation within the meaning of the Financial Administration Act.

The four members of the National Harbours Board, during my tenure of office, were Mr. R. K. Smith, a former member of parliament for Cumberland, N.S., who was first appointed to a position of deputy minister of marine August 14, 1935, and afterwards became chairman of the board on June 1, 1940. He was chairman during the whole time I was minister. Then there was Mr. B. J. Roberts, who came to the board from the Department of Finance in 1936, and Mr. J. E. St. Laurent who was appointed in 1942, and who was replaced by Brigadier Archer on July 1, 1952. The port manager at Montreal was Mr. Gordon Murphy.

The Jacques Cartier bridge was one of several matters over which the board had jurisdiction. I saw the members of the board frequently. To my

recollection no irregularities concerning toll collections on the bridge were ever brought to my attention by the board, and if there were any such irregularities neither was I aware of them nor did I suspect any. I considered the toll operations the responsibility of the National Harbours Board, in accordance with the terms of the statute, as I believe did those who preceded me and those who followed me in this office.

To the best of my knowledge I had no correspondence, personal or otherwise, with any member of the board or employee thereof concerning toll collectors during the time that I was minister, nor did I give directions to the board to appoint or dismiss any toll collector. I did receive recommendations from time to time from M.P.'s which my staff passed on to the board for consideration. Letters in reply to these recommendations were sent to the M.P.'s under my signature based on the reply received from the National Harbours Board. To the best of my recollection the great majority of these recommendations were not accepted by the board.

The CHAIRMAN: Are there any questions?

Mr. PIGEON (*Interpretation*): Mr. Chevrier, you have just stated in the resume that you were responsible for the administration of the money for the Jacques Cartier bridge.

Mr. CHEVRIER (*Interpretation*): That is exactly what I did not say, Mr. Pigeon.

Mr. PIGEON (*Interpretation*): But before parliament you were certainly responsible for the money spent.

Mr. CHEVRIER (*Interpretation*): The statement I made, Mr. Pigeon, indicates that the National Harbours Board was a crown corporation. A crown corporation directs its own affairs in accordance with the statute; and this crown corporation was responsible to parliament through the Minister of Transport.

Mr. PIGEON (*Interpretation*): In other words, as far as the Canadian people were concerned you were responsible for the administration of the money spent in the port of Montreal.

Mr. CHEVRIER (*Interpretation*): As far as the Canadian people are concerned, Mr. Pigeon, I would remind you of the terms or words of the statute. The statute establishing the National Harbours Board is a statute of 1952, chapter 187, and it indicates that the National Harbours Board was a crown corporation completely responsible for its own administration.

Mr. PIGEON (*Interpretation*): As Minister of Transport before parliament, what was your precise responsibility? That is the point that I did not seem to get.

Mr. CHEVRIER (*Interpretation*): My responsibility as Minister of Transport to parliament was to table the annual reports of the National Harbours Board and to have the estimates voted for the board. My responsibility had nothing to do with the internal administration of the National Harbours Board.

Mr. PIGEON (*Interpretation*): As you were responsible to develop or to table the credits for the National Harbours Board, did you not also have a certain responsibility over them?

Mr. CHEVRIER (*Interpretation*): I believe, Mr. Pigeon, that you are not distinguishing between ministerial responsibility and the responsibility of a crown corporation. As for ministerial responsibility, I believe there is a difference between it and the responsibility for a crown corporation. As for a crown corporation such as the Canadian National Railways I believe that, as the present minister has already stated, he has no responsibility relative to the internal management of that crown corporation itself.

As for the National Harbours Board I believe that there is a distinction to be made, because in article 3 of the act it is stated that the National Harbours

Board will be under the direction of the minister. As I stated in my declaration a while ago, I might say that I never gave any directives to the National Harbours Board, either, relative to the hiring or dismissal of toll collectors.

Mr. PIGEON (*Interpretation*): As Minister of Transport, I believe that the minister can name members of the National Harbours Board?

Mr. CHEVRIER (*Interpretation*): No, sir.

Mr. PIGEON (*Interpretation*): A while ago, however, you stated that you were responsible to the house for the estimates voted for the National Harbours Board, just as the present minister is.

Mr. CHEVRIER (*Interpretation*): Yes, sir.

Mr. PIGEON (*Interpretation*): If the credits are not real, due to a lack of responsibility, the minister is therefore responsible?

Mr. CHEVRIER (*Interpretation*): Since the beginning of these hearings I have seen nothing which would lead me to believe that the estimates were not real. I have seen nothing, either, in the evidence which would lead me to believe that there was any dishonesty involved—much to the contrary. Three witnesses testified to the contrary.

Mr. PIGEON (*Interpretation*): How do you explain, Mr. Chevrier, the difference which exists between the revenue from the former manual collection and the new automatic collection system?

Mr. CHEVRIER (*Interpretation*): I should have qualified my reply a while ago. I should have said that up to 1957 and 1958 I had seen nothing in the evidence which would have shown any dishonesty. And, secondly, as a reply to your question, everywhere where automatic toll equipment has been installed it has been established there has been an increase in revenue.

Mr. PIGEON (*Interpretation*): How do you explain this increase?

Mr. CHEVRIER (*Interpretation*): I have just explained.

Mr. PIGEON (*Interpretation*): But how can you explain, then, that in a period of six months there would have been increases of 40, 50, or even 100 per cent? There must certainly have been a reason for that.

Mr. CHEVRIER (*Interpretation*): The evidence has not shown that there was an increase of 100 per cent. The evidence has shown that there was an increase of 35 per cent. In spite of that, Mr. Roberts, who was longer at the National Harbours Board as chairman than anyone else, stated at page 955 of the evidence—notwithstanding this, the witness D. J. Roberts, who was a member of the Board longer than any one else had this to say at page 955 of the proceedings:

I defy anybody to show that the management of the harbour was lax and that they did not realize the possibilities which existed.

Hon. GEORGE H. HEES (*Minister of Transport*): It was said in English; you do not have to translate it.

Mr. PIGEON (*Interpretation*): A while ago you said that it had not been proven that there were any irregularities, that there was an increase of 35 per cent, which is a very conservative figure. At the present time, in the opinion of the witnesses who appeared here—and in particular, I believe that Mr. Beudet stated that there had been irregularities. How do you, then explain that there has been no proof of irregularities?

Mr. CHEVRIER (*Interpretation*): The fact that there has been an increase in toll collections is not proof of irregularities. You are the one who arrives at that conclusion, just as you have concluded that there were thefts, as a result of the investigations that were made. You concluded that there had been theft, when in reality there was no proof of theft.

Mr. PIGEON (*Interpretation*): As former Minister of Transport, how do you explain the increase in revenue with the new system?

Mr. CHEVRIER (*Interpretation*): First of all, I was not Minister of Transport when the increase in revenue occurred, and I therefore do not have to explain it. Secondly, I stated a while ago that where an automatic toll collection system was installed it was establish there was an increase in revenue.

Mr. PIGEON (*Interpretation*): How do you explain, then, the fact that Mr. Beaudet claimed there were irregularities?

The CHAIRMAN: Pardon me just a moment, before you make the interpretation. In speaking in French, as the interpreter has to interpret it, try to break your replies and your questions up, so that the interpreter can follow through on it, please.

Mr. CHEVRIER (*Interpretation*): Mr. Beaudet may very well have said that; but Mr. Shea, who is the officer responsible for the investigations for the Canadian National Railways, stated on several occasions that there was nothing abnormal in the results of the inquiries, except for the years 1957 and 1958.

Mr. DESCHATELETS: On a point of order, Mr. Chairman, could Mr. Pigeon—

The CHAIRMAN: Just a minute. The interpretation is not over yet.

Mr. PIGEON (*Interpretation*): As a result of the checks and the verifications made, each year it was proved that certain toll collectors were dismissed because of irregularities.

Mr. DESCHATELETS: On a point of order, Mr. Chairman: In order to follow the questions and answers, would Mr. Pigeon state the year which he has in mind of the investigations that there were, because there were many investigations all along these years. I would like to know the year of the investigation that he has in mind.

Mr. PIGEON: Each year since 1945 to 1954.

Mr. CHEVRIER (*Interpretation*): I would like to give a reply to the question you asked a while ago, before the point of order by Mr. Deschatelets. During the years when I was Minister of Transport—that is, from 1945 until 1954—there were but two C.N.R. investigations, and there was no proof of dishonesty, nor any irregularities, according to the witnesses.

Mr. PIGEON (*Interpretation*): But you admit that toll collectors were dismissed?

Mr. CHEVRIER (*Interpretation*): I do not believe that this occurred while I was at the Department of Transport.

Mr. PIGEON (*Interpretation*): Even Mr. Beaudet stated that one toll collector had a Cadillac, another had an aircraft, and a third had a camp in the north; and he stated that they began to believe that they were "living it up".

Mr. CHEVRIER (*Interpretation*): I do not believe that the statement made by Mr. Beaudet was for the period when I was at the Department of Transport.

Mr. PIGEON (*Interpretation*): During your term of office, you never had, either directly or indirectly a conversation or a letter indicating that something was abnormal at the Jacques Cartier bridge.

Mr. CHEVRIER (*Interpretation*): Never.

Mr. PIGEON (*Interpretation*): You are ready to state, Mr. Chevrier, that during your term of office there was no irregularity causing a loss of revenue through dishonesty?

Mr. CHEVRIER (*Interpretation*): I am not prepared to make that admission, for the simple reason that I was not in contact with what went on on the

Jacques Cartier bridge. What I am prepared to say, however, is that no irregularity, nor any dishonesty, was drawn to my attention throughout the period when I was at the Department of Transport.

Mr. PIGEON (*Interpretation*): A while ago you stated that you were responsible to the house for the credits concerning the administration and operation of the port of Montreal, including the Jacques Cartier bridge.

Mr. CHEVRIER (*Interpretation*): Yes.

Mr. PIGEON (*Interpretation*): Whether the money was well, or badly, managed, you therefore had a certain share of responsibility to the House of Commons?

Mr. MARTIN (*Essex East*): Mr. Chairman, I do not want to interrupt, but I am suggesting to you that there is a line beyond which a committee of this sort should not go—beyond which it is not proper for any interrogation to go. This is argument. My friend, Mr. Pigeon, is making an argument. Mr. Chevrier has stated what his responsibilities were; Mr. Pigeon disagrees with that. What is proceeding now is the kind of discussion that would proceed among the members of the committee when they come to formulate their report.

That has been the consistent line of questioning of Mr. Pigeon. I have not wanted to interrupt, but I think there is a limit, beyond which it should not go.

Mr. PIGEON: Mr. Martin, I referred to the statement made by Mr. Chevrier at the beginning of this meeting. (*Interpretation*): If, as a result of what the witnesses stated relative to irregularities and the way of life led by the toll collectors, if there was a loss of revenue due to bad administration, since the new toll collection system there has been an increase of 100 per cent in revenue and it is predicted that by August there will have been an increase of 100 per cent, due to the fact that you were responsible for credits to the house, can we not conclude that when we have the complete evidence you will have had your share of responsibility?

Mr. CHEVRIER (*Interpretation*): The witnesses have not stated that there was any dishonesty, nor irregularities, for the time when I was at the Department of Transport. You are the one stating that.

Mr. PIGEON (*Interpretation*): The figures speak for themselves. They state that there has been an increase and, in my opinion, this is conclusive evidence that there was bad administration.

Mr. CHEVRIER (*Interpretation*): The figures you refer to pertain to the year 1957, and I had been away from the Department of Transport three years at that time.

Mr. PIGEON (*Interpretation*): For the period 1945 to 1954, if we make a comparison of the volume of traffic and the revenue at that time, with the volume of traffic and the revenue as a result of the installation of automatic toll equipment, there is evidence that there was a loss of revenue.

Mr. CHEVRIER (*Interpretation*): I am not prepared to accept that because I believe that for the period 1947 to 1954, there was a considerable increase in revenue at the Jacques Cartier bridge.

Mr. DRYSDALE: Mr. Chevrier, did Mr. Roberts ever pass on to you any comment about his suspicions as to the matter of the toll collectors on the Jacques Cartier bridge?

Mr. CHEVRIER: No.

Mr. DRYSDALE: Did Mr. Smith, who was the chairman, in any of those discussions with you—

The CHAIRMAN: Mr. Drysdale, could you speak louder.

Mr. DRYSDALE: Did he discuss the matter of the Jacques Cartier bridge at all, and the matter of toll collections?

Mr. CHEVRIER: I do not recollect Mr. Smith ever discussing the subject matter of the Jacques Cartier bridge with me, in so far as toll collections are concerned; but I do remember discussions concerning the abolition of tolls, because motions were made in the house, during my period of time, by Montreal members, to the effect that tolls be abolished—and on more than one occasion, the then chairman of the harbours board, and other members of the board, discussed with me that question, since I was responsible for the handling of those motions, which came up in the house from time to time.

Mr. DRYSDALE: Was there ever any amendment made to the National Harbours Board by-law, with regard to toll collections during your period of office?

Mr. CHEVRIER: There may have been, but I do not recollect any.

Mr. DRYSDALE: If such an amendment was made over that period, that matter would have been referred to you, and you would discuss the matter of toll collections?

Mr. CHEVRIER: Not necessarily. I might pass it on the governor in council for approval.

Mr. DRYSDALE: You would not make any study of the matter?

Mr. CHEVRIER: Not necessarily.

Mr. DRYSDALE: Concerning the matter of passes on the Jacques Cartier bridge, did that come under your approval?

Mr. CHEVRIER: No, it did not. I knew about them, but the passes were given under the signature of the National Harbours Board, either the chairman or vice-chairman; but they were not approved by the minister.

Mr. DRYSDALE: In giving a pass, is that, in effect, a commutation of tolls?

Mr. CHEVRIER: Well, a pass means that you could go through the bridge without payment of tolls, but I was not aware of the number of passes that had been given.

Mr. DRYSDALE: Do you feel you perhaps should have been advised of the passes?

Mr. CHEVRIER: I do not think so.

Mr. DRYSDALE: And then made a decision?

Mr. CHEVRIER: No, I do not think so; no.

Mr. DRYSDALE: Mr. Chevrier, I would like to draw your attention to the National Harbours Board act—chapter 187, section 15(1)

The board may levy such rates and tolls as are fixed by by-law and may, with the approval of the minister, commute any rates or tolls so fixed on such terms and conditions and for such sums of money as the board deems expedient.

Did you give any approval as the commutation of these tolls, through establishing passes?

Mr. CHEVRIER: I do not remember.

Mr. MARTIN (*Essex East*): That section does not deal at all with that.

Mr. DRYSDALE: It is a matter of interpretation.

Mr. CHEVRIER: I think, perhaps, I should tell you this—that the National Harbours Board—as I tried to tell Mr. Pigeon a moment ago—is a crown corporation.

Mr. DRYSDALE: A crown agency.

Mr. CHEVRIER: Well, if you want to use the definition in the administration act, yes. It is a crown agency or a crown corporation. I think either one of them is correct. And under the terms of their statute, they are in an entirely different position from the various branches of a department such as the Department of Transport. The object of setting up a corporation to deal with the national harbours of Canada, including the Jacques Cartier bridge, and the bridge in Vancouver, which Mr. Roberts referred to—

Mr. DRYSDALE: Pleadingly.

Mr. CHEVRIER: —is for the purpose of giving them the responsibility of dealing with matters with which the minister surely has no time to deal. A department, such as the Department of Transport, is a huge department, and these matters you referred to now are matters of detail, which would not be drawn to the attention of the minister by the chairman, and which would not be brought to the attention of the board by the minister, unless there was something extraordinary which would have taken place. And during the course of the time I was there, I saw nothing extraordinary. I knew nothing of the day to day operations of the toll collectors on the bridge, and for that reason the matters which I discussed with the board were matters of policy, as a rule.

Mr. DRYSDALE: Then, Mr. Chevrier, would you state then that at no time during the period when you were Minister of Transport, at the time of these two investigations by the C.N.R., or any others, were irregularities drawn to your attention?

Mr. CHEVRIER: Certainly not. They were not drawn to my attention, and I did not know they had taken place.

Mr. DRYSDALE: Did you think they should have been drawn to your attention?

Mr. CHEVRIER: No, I do not think they should, because I think they are matters of detail.

Mr. DRYSDALE: Would not these matters of detail be likely to affect the revenue of the bridge?

Mr. CHEVRIER: Even if they would affect the revenue of the bridge, the National Harbours Board was responsible for this revenue. And, further than that, the National Harbours Board had within its jurisdiction—within its corporate body, treasury board officials to check on the revenue that was coming in, and the Auditor General was an additional check. In all the times that I was there, I cannot remember that the Auditor General ever pointed to anything that was going wrong on the Jacques Cartier bridge.

Mr. DRYSDALE: So, in essence, you are saying that at no time during that period did you keep any detailed report as to what was happening regarding the administration of the bridge? You did not feel it came within your purview?

Mr. CHEVRIER: Right, either detailed or general.

Mr. DRYSDALE: What was your procedure when the annual budget came up?

Mr. CHEVRIER: It was sent over to me by the chairman, or the secretary of the board. I would look at it, and discuss it with the members of the board, or with the chairman, and then submit it to the governor in council.

Mr. DRYSDALE: But you never had any detailed report as to what was going on in connection with the administration?

Mr. CHEVRIER: That is right.

Mr. DRYSDALE: It might be handy, for the purposes of the record, to put in section 26 of the National Harbours Board Act, which deals with the annual budget. This section reads:

The board shall submit to the minister an annual budget showing, for each harbour under its jurisdiction and for each work or property

transferred to it for administration, management and control, the estimated revenue, by sources, and the estimated expenditures for operation, management and control, for interest on outstanding bonds, debentures and other indebtedness, for capital expenditures and for the retirement of maturing indebtedness, and showing also the amounts to be added to the reserve fund and expenditures to be made therefrom; such budget shall be submitted by the minister to the governor in council.

Mr. CHEVRIER: From what are you reading?

Mr. DRYSDALE: Section 26 of the National Harbours Act.

Mr. CHEVRIER: What statute?

Mr. DRYSDALE: The National Harbours Act.

Mr. CHEVRIER: Of the revised statutes?

Mr. DRYSDALE: Chapter 187, the revised statutes of Canada.

Mr. CHEVRIER: And the year?

Mr. DRYSDALE: 1952.

Mr. CHEVRIER: This was repealed in 1953-54.

Mr. DRYSDALE: And what was substituted?

Mr. CHEVRIER: I have the office copy. Section 26 was repealed in 1953-54—chapter 60 section 12.

Mr. DRYSDALE: But that section would have been in it while you were in office—if it was amended in 1953-54.

Mr. CHEVRIER: It would have been, yes.

Mr. DRYSDALE: Just to keep the record straight, would you put the amended section on record? I agree with Mr. Chevrier that section 26 was repealed by section 12 of the National Harbours Board Act, 1953-54. But, you would agree, nevertheless, that that responsibility was there during the period that you were Minister of Transport, from April 1945 to July 1, 1954. Do you know what the reason was for having that section deleted?

Mr. CHEVRIER: I do not.

Mr. MARTIN (*Essex East*): You put the question, and then you quote the section. It has no bearing on the original section at all.

Mr. DRYSDALE: I appreciate any interjections you wish to make, Mr. Martin. I am trying to be perfectly fair to Mr. Chevrier. I am not trying to put words of statements into his mouth. What is the particular unfair interjection, Mr. Martin?

Mr. MARTIN (*Essex East*): You quote the section of the act, and you assume the section of the act confirms your original question. The section of the act speaks for itself.

Mr. DRYSDALE: I think, if you were listening, Mr. Chevrier, we were discussing the administrative responsibility of the Minister of Transport, and there is one section in the statute, dealing with the annual budget, dealing with the administrative responsibilities of the minister. I suggested, as a matter of having the records complete—and I drew no conclusions or made suggestions—but as a matter of having it complete, that section 26 should be in the record.

I read section 26, and Mr. Chevrier drew to my attention that it had been repealed in 1953-54. I then drew to his attention the fact that he had been Minister of Transport while that section was in effect, and all I said was that the committee would have to take into consideration whatever conclusions are drawn from this particular section. I did not draw any conclusions—or, if I did, I would appreciate it if you would draw it to my attention.

Then, perhaps, for the sake of the record, I should read section 32 of the act. It reads as follows:

The board shall, as soon as possible but within three months after the termination of each calendar year, submit an annual report to the minister in such form as he may prescribe and the minister shall lay the said report before parliament.

And then, section 33:

Subject to the provisions of this act, the board is subject to the provisions of the Financial Administration Act.

Then, the financial administration act. Unfortunately, I am referring to the copy in Beauchesne's—and I think it is cited as 1951 of the statutes of Canada, chapter 12. Referring to section 76 of this act—again, purely for the record—it deals with crown corporations and, under 76 (1) it says:

In this part, "agency corporation" means a crown corporation named in schedule C.

And, schedule C of the financial administration act lists the national harbours board as an agency corporation.

Mr. Chairman, I wish to put one more section in. Section 80 (1) of the Financial Administration Act, reads as follows:

Each agency corporation shall annually submit to the appropriate minister an operating budget for the next following financial year of the corporation for the approval of the appropriate minister and the Minister of Finance.

I would assume that section—unless it has also been amended—takes the place of section 26, which has been deleted from the act.

Then, subsection (2):

For each corporation the appropriate minister shall annually lay before parliament the capital budget for its financial year approved by the governor in council on the recommendation of the appropriate minister and the Minister of Finance.

And (3)

The treasury board, on the joint recommendation of the Minister of Finance and the appropriate minister, may by regulation prescribe the form in which budgets required by this section shall be prepared.

You have stated, then, that you never gave the operating budget any detailed scrutiny as to background and source of revenues, and even money that might have been going astray.

Mr. CHEVRIER: What was that?

Mr. DRYSDALE: I was asking you if you gave that any detailed scrutiny to ascertain, perhaps, if there was a possibility of any money going astray?

Mr. CHEVRIER: I think I answered originally all that you put in your question. You put your question differently than you did originally. You asked a moment ago whether there had been anything irregular. That was not the question in the first instance. The question was what attention I gave to the operating budget.

I gave to the operating budget of the national harbours board the same attention that I gave to the budgets several other bodies which were the responsibility of the Minister of Transport to parliament. They were studied first and foremost by the Minister of Finance. Then they were given careful study and scrutiny by the crown corporation that submitted them—in this case the National Harbours Board. They were then submitted to me, for tabling in the Commons; and I looked at them in the same way as I looked at the operating budgets of the Canadian National Railways, the Canadian National

West Indies Steamships, and the other crown corporation—the Canadian Overseas Telecommunications Corporation.

I hold in my hand now the annual report of the National Harbours Board for 1958, which deals with the balance sheet as of December 31, 1958, and the annual report for 1958 of the Jacques Cartier bridge. I glanced at these, and discussed them with the members of the board so that I might be briefed in order to deal with questions when they came up in the House of Commons. Beyond that, I did not give them any detailed scrutiny, for the reason that there were already several checks. There was the check of treasury board officials, and also the check of the Auditor General.

Mr. DRYSDALE: I was not directing criticism, Mr. Chevrier; I was just trying to ascertain the extent of your interest, under the circumstances.

While you were minister, did you visit the city of Montreal very often?

Mr. CHEVRIER: Yes, frequently.

Mr. DRYSDALE: Did you ever hear any reference to those jokes of which Mr. Beaudet spoke?

Mr. CHEVRIER: No, never.

Mr. DRYSDALE: Did you travel over the Jacques Cartier bridge yourself?

Mr. CHEVRIER: Yes, frequently—and I was going to ask you if you had ever travelled over the Jacques Cartier bridge during the peak hours—and I am referring to 4 o'clock in the afternoon—four to five o'clock in the afternoon, and 9 o'clock in the morning.

Mr. DRYSDALE: Well, living out in the beautiful province of British Columbia, I have not had too much opportunity. However, I have been over the Jacques Cartier and Victoria bridges during the earlier years.

Mr. CHEVRIER: I think it would be advisable if members of the committee were to cross the bridge during the peak hours. They will see that it is a very trying experience, not only for the motorists but also for the person collecting the tolls because, as evidence has indicated, there are a very large number of cars—sometimes, I think, as many as 3,000 an hour, which cross during the peak hours. Traffic backs up several miles beyond the automatic signal equipment.

So that the answer to your question is yes, that when I was Minister of Transport I crossed over the bridge—not nearly as frequently as when I became the president of the St. Lawrence seaway authority, when my business took me over there quite frequently.

Mr. DRYSDALE: Mr. Roberts never shared any of his suspicions with you, in regard to the fact of money on any toll bridge possibly going astray?

Mr. CHEVRIER: Mr. Roberts did not share any of his suspicions, in that respect, with me; nor did any of the other members of the National Harbours Board.

Mr. DRYSDALE: You read Mr. Roberts evidence?

Mr. CHEVRIER: Yes.

Mr. DRYSDALE: Which was given before the committee?

Mr. CHEVRIER: Yes.

Mr. DRYSDALE: And did you get the impression that he was suspicious that, perhaps, all the money might not be going to the Jacques Cartier bridge?

Mr. CHEVRIER: No, I got the contrary impression from Mr. Roberts' evidence which, I thought, came from a person who was extremely experienced, because he had been there from the inception, and a person who certainly could not be accused of bias, because he had been appointed, I think, an officer in Department

of Finance during the regime of Mr. Bennett. I think he repeatedly made statements. For instance, here is one at page 949:

—the general impression that we obtained from the various reports, certainly that I obtained from the various reports that came to my attention, was that outside of what you might expect to be human frailty, neglect or going through all the motions, nothing serious ever came to our attention.

Mr. DRYSDALE: I wonder if I could put one or two statements, which he made, on the record?

At page 948

However, we accepted the port manager's recommendation, and we came to the conclusion that our best safeguard as to the failure of an employee from laxness in administration was to keep on investigating the activities of the bridge and to ensure, so far as possible, the effective collection; and that meant applying the regulations.

Mr. CHEVRIER: Would you read the next three paragraphs which follow that, and which I think are equally as significant.

Mr. DRYSDALE: Perhaps if you wanted to put them in yourself, you could do so.

Mr. CHEVRIER: I would like to.

Mr. DRYSDALE: I was going to pick out some selections. Perhaps, after that, you could modify or explain, if your wished. However, I would like to make my own selections, and have your comments.

—I felt I should keep before him always the question of keeping up discipline and have no laxity, because in the last analysis, when money is being handled, weaknesses will be found out if you have any laxity in your administration.

Then I was trying to ascertain from the investigations that had been made—Mr. Murphy recommended an investigation by the C.N.R. and then recommended further investigations. I was trying to obtain from Mr. Roberts information as to what had been done about these investigations, or why they had not been followed up.

Mr. DESCHATELETS: In what year did those investigations take place?

Mr. DRYSDALE: In 1952—1947 to 1952, at the time of Mr. Roberts—and you will remember that he has the longest continuous record on the board.

At the bottom of page 954—

Mr. CHEVRIER: Yes.

The CHAIRMAN: Yes, Mr. Drysdale.

Mr. DRYSDALE: We were on the discussion of the irregularities, and I stated at the bottom of the page

Mr. DRYSDALE: There was no effort on your behalf, aside from the fact that you have stated you knew money was going astray.

Mr. ROBERTS: I did not know any money was going astray.

Mr. DRYSDALE: I understood you to say that.

Mr. ROBERTS: I have been very careful not to say that.

Mr. DRYSDALE: You do not think any money has gone astray?

Mr. ROBERTS: I am not thinking.

Mr. DRYSDALE: I am asking your opinion.

Mr. ROBERTS: I am not giving any opinion.

Mr. MARTIN (*Essex East*): Go on and read the next part.

Mr. DRYSDALE:

Mr. DRYSDALE: I think your job is to try to assist the committee.

Mr. ROBERTS: I will assist the committee with any information I have, and I have not got that information.

Then again Mr. Roberts states:

I think under the circumstances which existed and having regard to the general experience in connection with any medium of handling cash—

This is where Mr. Chevrier's quotation came in.

—I defy anybody to show that the management of the harbour was lax and that they did not realize the possibilities which existed. I once saw an article during the course of my administration having regard to toll collections on the United States bridges and the heading was "One for the company and one for me". It is not an unknown thing that it has been difficult to check toll collection on the bridges.

Then further on down Mr. Roberts says:

I tried to do everything I could to keep up the discipline, keep on the checks and remove toll collectors who were not carrying out the regulations, even though it might be only a suspicion that they were lax and were not converting.

I would suggest, Mr. Chevrier, that the overall effect of this was that Mr. Roberts had a suspicion that money was going astray. Did he ever communicate that suspicion or suggestion to you?

Mr. CHEVRIER: I have already given no as the answer and I repeat again no.

Mr. MARTIN (*Essex East*): Mr. Drysdale did not quote all the evidence.

Mr. DRYSDALE: If you wish to put it on the record you may. I did not have the opportunity to complete the one Mr. Chevrier quoted. That is the reason I came back to it.

Mr. MARTIN (*Essex East*): Would you put in that first sentence.

Mr. DRYSDALE: You may do it if you want.

Were you aware of any of the investigations by the C.N.R.?

Mr. CHEVRIER: I was not. I have told you that already. This is the second time you asked that. I said I do not know of any investigation the C.N.R. made during the time I was there.

Mr. DRYSDALE: There was no report made to you in the course of your administration?

Mr. CHEVRIER: No.

Mr. DRYSDALE: Looking back, do you think such a report should have been made to you?

Mr. CHEVRIER: I think that was a matter for the internal management of the national harbours board. I do not think in the ordinary course of their administrative responsibility that that is a matter they would discuss normally with the minister.

Mr. FISHER: The first part of my ground has been covered.

The CHAIRMAN: You were the one who suggested Mr. Chevrier and Mr. Marler be called.

Mr. FISHER: Mr. Chevrier suggested he be called.

Mr. CHEVRIER: No. You were the one who suggested it. I said I was at the beck and call of the committee. Then one day when somebody brought the matter up I came forward and said: "I am ready to answer the question now".

Mr. FISHER: The Minister of Transport is one of the larger ministries in so far as job opportunities are concerned. Is that correct?

Mr. CHEVRIER: I agree with that fully.

Mr. FISHER: And you would be aware, when you were minister, that members of parliament of your party and of other parties would be interested in placing men if possible in certain jobs which would come under the purview of your department. Is that correct?

Mr. CHEVRIER: Yes.

Mr. FISHER: Could you give us a brief resume of your attitude and practice in this regard?

Mr. CHEVRIER: Yes, I can.

Mr. FISHER: Would you do so.

Mr. CHEVRIER: With pleasure. Members of parliament made recommendations for the appointment of toll collectors from time to time as they made recommendations for the appointment of other positions in the department which is a large one. In so far as the National Harbours Board was concerned, these recommendations were passed on to my staff who in turn gave them to the National Harbours Board. I at no time directed the National Harbours Board to employ any toll collector, nor did I give instructions to the National Harbours Board to dismiss any toll collector. In the course of the recommendations which were made by members of parliament and passed on by my staff to the National Harbours Board—I think to the secretarial branch of the National Harbours Board—they in turn I understood were passed on to Montreal. There would come back a report as to whether or not there was a vacancy and as to whether it was possible to examine the particular person recommended, and that was sent on to the member of parliament.

As members of this committee will have to be reminded my memory on all such matters is not too clear because these things go back so far as fifteen years in some cases, and my recollection so far as I can recall it is that the vast majority of the recommendations which were made by members of parliament and passed on by my staff to the National Harbours Board were not accepted.

Mr. FISHER: Did you make any distinction in your recommendations between those from members of your political party and those from other parties?

Mr. CHEVRIER: Well, I passed on every recommendation that I received no matter from what part of the house it came to the National Harbours Board.

Mr. FISHER: Were you aware, as the correspondence which has been filed reveals, that a number of members—and I can give you as an example a Mr. Deschatelets, Mr. Healy, Mr. Vincent and Mr. Fortier—were not making their requests for consideration of people for jobs through your department, but were going directly to the board?

Mr. CHEVRIER: I was not.

Mr. FISHER: You are aware now?

Mr. CHEVRIER: I was not aware.

Mr. FISHER: You do not gather that from the correspondence?

Mr. CHEVRIER: I did not read the correspondence. I was not a member of the sub-committee which saw the letters.

Mr. FISHER: This is tabled. I do not refer to that correspondence, because I do not think I have the right to. I am referring to the correspondence which has been filed here which the members never marked as personal or confidential. You have given us a picture of requests from any member of

parliament being funnelled through you to the National Harbours Board and you say that did not seem to have much effect.

Mr. CHEVRIER: That is right.

Mr. FISHER: I am suggesting that the correspondence indicates many of the members went directly to the National Harbours Board and to the port manager.

Mr. CHEVRIER: That may be, but I am not aware of it.

Mr. FISHER: You were not aware of this?

Mr. CHEVRIER: No. I still say in respect of the recommendations which were made to me by members of parliament—this is my recollection and of course it would have to be confirmed—that the vast majority of those people who were recommended were not accepted.

Mr. FISHER: That is quite apparent, but that is not the point I am interested in. Could you go further and explain to us—I think this would interest everyone here—your views on how you as a minister of the crown and at the same time as a prominent member of the Liberal party can handle such recommendations for positions in order to keep your supporters pleased and supporting you—I am thinking of your supporters in the house?

The CHAIRMAN: I do not think that is a question he should answer.

Mr. MARTIN (*Essex East*): That is an improper line of questioning.

Mr. FISHER: Why?

Mr. MARTIN (*Essex East*): It is so obvious.

Mr. FISHER: Of course it is. I am not trying to hide anything. I would like to get to the root of what is bothering most people. I am sick of the inuendos which underlie this particular investigation. I thought that by placing such direct questions we might give Mr. Chevrier an opportunity to put himself on the record.

Mr. CHEVRIER: I have told you I have the feeling that the vast majority of them were not accepted. You have asked me another question, as to how it was possible to keep the members happy. Well, that is a question which I think concerns a matter which this committee has no committee reference to determine. However, I am not going to back away from the question since you feel you should have an answer.

The answer I would make to that is this, that there were many representations made by members of parliament, but as you say the Department of Transport is a large department and the minister responsible for that department had a thousand and one things other than that to do. That particular question is one which would be looked after, I think, more particularly by his staff, by his secretary, by his executive assistant, and by others on the staff, because surely a Minister of Transport charged with the responsibility he has cannot possibly do his work in the House of Commons and deal with so called patronage matters. If he tries to deal with patronage matters he will not get to first base. His first responsibility is to the House of Commons. He has to be briefed on the questions which come up each day and on the estimates. It took me—I do not know how it affected the other ministers—not only weeks but months to be briefed properly so that I could answer the questions asked on the estimates. Then there is the legislation which came up, which was quite important in those days and which took a great deal of time. When you add up these tremendous responsibilities, the time I had to look after the placing of recommendations by members of parliament was infinitesimal.

Mr. FISHER: You have indicated, in reply to questions, that in so far as the administration of something like the Jacques Cartier bridge is concerned,

for almost the same reasons you have now given, you had to consider it as a matter of detail which is the responsibility of the officials?

Mr. CHEVRIER: Yes.

Mr. FISHER: Are you suggesting that it was exactly the same in so far as as what you refer to as patronage?

Mr. CHEVRIER: No, not at all. The National Harbours Board was responsible under the statute for the employment of its own officers and its clerks including the collectors, and surely the minister was not consulted in any matters concerning them.

Mr. FISHER: You never appointed in an unofficial way or ex officio way, anyone in Montreal who was not on the harbours board or a member of parliament to look after contacts for jobs or anything like that?

Mr. CHEVRIER: Certainly not. I am surprised that you have asked that question.

Mr. FISHER: I have seen some correspondence which indicates that this has been tried. I do not want to leave the innuendo that it was tried by Mr. Chevrier.

Mr. CHEVRIER: It was certainly not tried during my day nor was I a party to it, nor did I delegate anybody to look after my interest in Montreal. I had no interest in so far as appointment of toll collectors on the harbours board was concerned.

Mr. FISHER: In so far as the interest in that sort of thing from a political point of view—in the party sense—is concerned it would be simply casual and something which you as minister had no time for.

Mr. CHEVRIER: It is not only casual; it did not take place. It positively did not take place.

Mr. FISHER: So if there was any question of kickbacks to party funds it would be something you knew better nothing about?

Mr. CHEVRIER: I am astounded that you would ask that question, because there is not the slightest evidence before this committee to that effect. I am stating now I have no knowledge of any such thing. I am surprised you would ask a question of that nature of a former minister.

Mr. FISHER: You might remember that some innocents came in at the last election and do ask this kind of question. I am glad to have your bald answer. If I might sum it up, you knew absolutely nothing in that field of employment opportunities on the Jacques Cartier bridge?

Mr. CHEVRIER: Not only did I know nothing, but I would be the most surprised man in the world if anything like that took place during the time I was there and afterward.

Mr. FISHER: Perhaps you could give us this from your experience. You did not feel there was an inordinate interest in job opportunities on the Jacques Cartier bridge?

Mr. CHEVRIER: Not any more on the Jacques Cartier bridge than any other part of the department. I could bring to the attention of this committee parts of the department where there was great activity, particularly having to do with the appointment of persons who sold radio licences for a time. At one time in the department people wanted to be appointed for the sale of radio licences. Why they wanted to sell radio licences I do not know, but there was far more interest in that than in the appointment of toll collectors.

Mr. FISHER: We have had revealed to us a file of correspondence that was in the file of the port manager in Montreal dealing with public officials. You have indicated there was another pattern of entry for these jobs, and that

that was through your office. Could you give us any indication where those files would be?

Mr. CHEVRIER: The ministerial files I had when I left the Department of Transport in 1954 were destroyed.

Mr. FISHER: They were destroyed?

Mr. CHEVRIER: Yes.

Mr. FISHER: In other words we could not find those letters now?

Mr. CHEVRIER: You could not find those letters now. They were letters which came to me as minister from members of parliament seeking jobs.

Mr. FISHER: I hate to ask this, but could you give us an estimate of how that file would compare in size and bulk with the other file?

Mr. CHEVRIER: I do not think there would be much difference between the two, because I think they are both the same. On the whole I think they first came to the minister's office and from there were sent on to the National Harbours Board, and from the National Harbours Board to the port manager's office in Montreal. I think the recommendations or letters which were written are the same ones which were given in evidence by the various port managers.

Mr. FISHER: I would like now to turn to something else. I do not know whether or not this has been covered, and you may stop me, Mr. Chairman, if it has been. Mr. Roberts came to the issue of the reasons for the holdup in getting on to the new toll collection system. He confronted us with in effect an answer that it was something on a higher level than he was involved in. We had some indication it was in connection with the tariff structure and perhaps the difficulties in putting in this tariff structure in relation to the province of Quebec. I know this particular incident on which we were questioning Mr. Roberts related to a period when Mr. Marler was the Minister of Transport and not when you were. We would very much appreciate, however, your views on this particular difficulty as a difficulty of administration and whether or not you had any relationships with the provincial authorities.

Mr. CHEVRIER: I did.

Mr. FISHER: In anticipation of this?

Mr. CHEVRIER: Not in anticipation of this, because it did not come up during my time, but I could see why there would be some delays. First of all there would be a delay which had to be cleared with the province of Quebec. Then, the other delay which seems to have been forgotten by this committee, which was caused by the construction of the St. Lawrence seaway. The approaches to the Jacques Cartier bridge and the Victoria bridge on the south shore were disrupted for from one to three years. It was not possible in respect of the Jacques Cartier bridge, and to a lesser extent on the Victoria bridge, to establish the toll equipment until the approaches to the bridge had been completed. In so far as the Jacques Cartier bridge is concerned they had to lift the bridge some 70 or 80 feet. That took over a year. In so far as the approaches to the south shore were concerned they had to dig out the silt from the river, put it on the bank and build approaches for several lanes before they could establish the new toll equipment. I think that is the main reason for the delay in establishing or erecting the toll equipment.

Mr. FISHER: Could you come more particularly to the relationships you had with the provincial authorities as minister of Transport in relation to the Jacques Cartier Bridge?

Mr. CHEVRIER: Well, I had many relationships with the provincial government in so far as my capacity on the St. Lawrence seaway authority was concerned, but very few in my capacity as minister of Transport. If you want to know of those I will tell you.

Mr. FISHER: Yes.

Mr. CHEVRIER: I went to see the premier of the province of Quebec on two occasions at the request of the federal government.

Mr. FISHER: What were the occasions?

Mr. CHEVRIER: The occasion was following the judgment of the National Harbours Board against the city of Montreal for the almost \$1 million for failure to abide by the tripartite agreement. I went to see the premier of Quebec to ascertain from him why the province of Quebec would not pay the amount of their indebtedness in view of the judgment against the city of Montreal. The premier of Quebec told me that the city of Montreal had not properly defended their case and if it had been properly defended he thought they would have been successful and therefore the province of Quebec had no intention of paying the amount owing because it did not think legally it was bound. I reported that to cabinet.

Mr. FISHER: What was the cabinet's decision to follow up this? I mean the Quebec side of it seems to have been lost in limbo. Is it the difficulty of one agency of the crown suing another agency?

Mr. CHEVRIER: I do not know that I am free, because of my cabinet oath, to discuss any decision of that nature. I think, however, that I can get around it by saying this. Following my report to cabinet I went to see the premier a second time to ascertain whether he would give us a fiat whereby proceedings could be instituted. It was at that time he told me he would forward a cheque in payment of the amount due the federal government.

Mr. FISHER: From the province?

Mr. CHEVRIER: Yes. During the time I was minister the cheque was never forthcoming.

Mr. FISHER: That cheque would be roughly in the nature of \$1 million?

Mr. CHEVRIER: Yes.

Mr. FISHER: That is a fair amount of money.

Mr. CHEVRIER: Yes.

Mr. FISHER: What insistence was there when you were minister in keeping after the premier of the province in order to get this money?

Mr. CHEVRIER: I must say this was at the time I left. I heard afterwards, but this would be hearsay and I would rather not repeat it.

Mr. FISHER: Do you feel you took every possible step when you were Minister of Transport to recoup this money which legally—and the court seems to have confirmed this in respect of the city—should have come to you?

Mr. CHEVRIER: I would not say I took every possible step, because to have taken every possible step would be to have followed it up more than I did. I said I saw the premier twice and I gave you the result of my exchange with him. I should say this in fairness to the premier of Quebec, it may well have been that the premier foresaw because of the development of the St. Lawrence seaway an expropriation of water lots and also the fact that the federal government might well owe the province of Quebec certain sums of money and he might have thought it advisable not to pay the amount in the hope that it could be offset in an indebtedness which might be owing by the federal government to the province of Quebec. I do not know, but that is a possibility.

Mr. FISHER: When you were the minister of Transport there were several debates in the House of Commons as a result of resolutions introduced by Montreal members—private members public resolutions? Later on you introduced a similar resolution when you became an opposition member?

Mr. CHEVRIER: No. I disagree with you entirely. The resolution I introduced was entirely different. My resolution did not call for the abolition of tolls. I think this is a matter to which the committee might well give consideration. My resolution called for the establishment of a crown corporation that would be responsible for the collection of tolls on the three bridges, the Jacques Cartier bridge, the Champlain bridge now under construction, and the Victoria bridge, if it were possible to come to an agreement with the Canadian National Railways about leasing of the lanes and the roadway facilities on the Victoria bridge, and that that crown corporation might well look after the collection of tolls. The distinction between the resolutions of the Montreal members and my own was that one was for the abolition of tolls and the other was the establishment of a crown corporation.

Mr. FISHER: In the debates you in essence gave the government reply.

Mr. CHEVRIER: That is right.

Mr. FISHER: Can you remember what the gist of your reply was in so far as the Jacques Cartier bridge was concerned?

Mr. CHEVRIER: I can, but I would not like to be held to what I am going to say now because you might find in the debate something somewhat different.

Mr. FISHER: I have read the debate and I will be prepared to offer my judgment.

Mr. CHEVRIER: This matter goes back some 15 years ago, and less than that also. My recollection was that it was because of the tripartite agreement and that because of the tripartite agreement there was a responsibility on the part of the city of Montreal and the province of Quebec to make certain payments and it was impossible to consider the abolition of tolls unless the other two parties were brought into the discussion. Consultation with the other two parties—certainly with one party—indicated it was doubtful to obtain agreement.

Mr. FISHER: Which party? Is this the province of Quebec?

Mr. CHEVRIER: It is the city of Montreal I have in my mind.

Mr. FISHER: You do not mean the city of Montreal was not interested in seeing tolls abolished?

Mr. CHEVRIER: Not at all. Before the federal government could abandon its capital investment, which was substantial, plus its indebtedness by way of interest, plus its arrears of interest—before it could abandon that there had to be some sort of agreement with the province, and a statement was made by me, at the request of the government, that if any of the parties involved wanted to buy the bridge we were willing to sell it.

Mr. FISHER: We had a situation where two parties to the agreement—one had to be forced by law, or by legal means, into providing money, and the other indebtedness is still owing. At least, I would interpret it that way; and maybe Mr. Hees could give us his views on that later. And yet we have very strong pressure to abolish tolls and open up the bridges from the city. We have a tradition in the province of Quebec, newly established by that particular government, that it was against toll bridges.

I think we should ask from you an explanation as to why more was not done, during your regime, to accomplish these ends, either to get toll-free bridges, or to make sure the money owing under the agreement was coming in. It seems to me those are the two logical alternatives. Could you give us your view there?

Mr. CHEVRIER: I think the question is double-barrelled. I will answer the first part by saying that the province of Quebec did not abolish tolls on its bridges until fairly recently—during the time I was minister, maybe some years ago now—but it is a fact that all the toll bridges, with perhaps, one exception—

Mr. FISHER: I think one minor exception.

Mr. CHEVRIER: Yes, with one minor exception, in the province of Quebec are free. But during the time I was Minister of Transport I think it was at that time, or shortly before that time, that the tolls were abolished in the province of Quebec on bridges.

Now then, I come back to the second part of your question, wherein you asked, why did we not make sure the money was coming in? There is no evidence that the money was not coming in. On the contrary, during the time I was there there is clear evidence the revenues were increasing.

Mr. FISHER: Do not answer a question I did not ask. I am concerned about the money that was not forthcoming from the province and was not forthcoming from the city. It seems to me, if we are interested in administrative matters, why was not a stronger effort made to get this money in? You went after the city of Montreal, but you did not go after the province in any continuing way, other than through your two interviews.

Mr. CHEVRIER: I am sorry I misinterpreted your question, and I see now it was directed at the amount of money owing by the city and the province. But I would draw to your attention the money owing by the city and province was only in case there was a deficit beyond the \$450,000. Soon after I became minister the deficit was wiped out because of the net income in the bridge.

Mr. FISHER: So we had a debt of over \$1 million, roughly \$1 million, "hanging" from the province of Quebec.

Mr. CHEVRIER: That is right.

Mr. FISHER: Not an insubstantial sum, I think you will agree?

Mr. CHEVRIER: Not an insubstantial sum, I agree. If that amount was paid by the province of Quebec it would mean a substantial reduction in the capital indebtedness of the bridge.

Why did I not do anything about it?—

Mr. FISHER: I did not insinuate you did not do anything about it, but I wanted to know why the steps taken were not more effective?

Mr. CHEVRIER: At the request of the government I saw the premier of the province of Quebec twice. My first visit was not a successful one.

Mr. FISHER: Would you explain that? In what way was it not successful?

Mr. CHEVRIER: Because the premier, in the first visit, took the position that legally the province was not bound. I repeat, as I said earlier, he felt the city of Montreal had not defended the case properly; and he felt that in the case of the province of Quebec—and this is an additional reason that comes to my mind now—there was another legal reason why the indebtedness should not be paid. That is the matter I reported. Following my report to cabinet I saw him again, and it was then that he told me that he was going to send a cheque.

Mr. FISHER: In Quebec, as I understand it, there is a great respect for legal documents and legal interpretations. When you went back to see the premier that court's decision for the federal government and against the city of Montreal had been rendered, had it not?

Mr. CHEVRIER: That is right.

Mr. FISHER: And yet he was not prepared to accept that decision at all?

Mr. CHEVRIER: That is right.

Mr. FISHER: Were you prepared, as a result of that decision, to push to the extreme, in order to collect the money that Quebec owed?

Mr. CHEVRIER: I was prepared to report to my cabinet colleagues, and it was they who had to take the decision.

Following on the report I said I went to see him a second time. I also added a little later on that I had a feeling that because of a general discussion I had with the premier of Quebec afterwards—I had a feeling that the premier of Quebec may well have had in his mind the fact that because of the development of the St. Lawrence Seaway the federal government would be owing the province substantial sums of money, and if he were ever called upon to pay this amount he could offset it with the amount due to the federal government.

Mr. FISHER: That seems a mixing doesn't it, to you of things which really should hardly mix? In the one case we had a hard agreement between three authorities on something as specific as the Jacques Cartier bridge; and here we have another which is much more general, a seaway authority, which is completely outside the scope of the Jacques Cartier bridge?

Mr. CHEVRIER: May I ask you a question?

Mr. FISHER: Yes.

Mr. CHEVRIER: Did you know the premier of Quebec?

Mr. FISHER: No, of course, I did not. That is something I missed.

Mr. CHEVRIER: If you had known him perhaps you would understand that sometimes there was a mixing of jurisdictions.

Mr. PIGEON: The people of the province of Quebec knew him very well.

Mr. CHEVRIER: Mr. Pigeon, I have been very careful not to be unfair to the premier of the province of Quebec, who has gone, and upon whom I would not want to reflect the slightest discourtesy. I have gone out of my way, in my references to him, and I could add that no one received me more courteously and kindly than he did at all the times I was there.

Mr. FISHER: Here we have the minister—you, Mr. Chevrier, as minister—making a personal visit to the premier of the province. This is the coming together of the two authorities in person. That seems to be it. The one accepts the position of the other in person, and yet ignores the conditions of an agreement that is set down on paper. I just wondered, Mr. Chevrier, if you could indicate to us how you felt that the agreement, that is the agreement on paper, plus the legal decision in so far as the city of Montreal is concerned, affected what you thought you should do as the Minister of Transport? I am not talking about Lionel Chevrier, the man, but as the Minister of Transport?

Mr. CHEVRIER: I thought we should proceed against the province of Quebec, in the same way as we had proceeded against the city of Montreal. But I was told by the legal advisors there was a difficult problem there, as to the crown suing the crown—a legal problem which I was not competent to decide upon. That probably is the reason why it was suggested I go to see him.

Mr. FISHER: You did seek advice from legal advisors?

Mr. CHEVRIER: From our own officers in the National Harbours Board.

Mr. FISHER: This was the advice given to you, that it would be better if some kind of understanding could be reached on a personal basis?

Mr. CHEVRIER: That was the feeling.

Mr. FISHER: I wanted to ask you about the Victoria bridge. As I interpreted your answers in the debates, when you were the minister and when these Montreal members were urging abolition of tolls—their contention was to the effect that the Victoria bridge had been paid for times without number and that it was a fat revenue producer for the railway—as I understand it, you gave very strong indications this was not so in your speech, though you did not, or, as I remember you said, you could not explain it with figures because it was not policy to reveal it. Does that ring a bell with you?

Mr. CHEVRIER: Yes, it does.

Mr. FISHER: What investigations did you make, and how closely did you check into the Victoria bridge in arriving at this situation?

Mr. CHEVRIER: I did not check into it because I was told this information should not be produced. That was the attitude that the Canadian National Railways took. I did not see the figures at the time.

And here I would like to interject this statement, that had I been here when the production of this information was asked for I would have objected to it because I think that having objected to its production, as minister, I should be logical and take the same position when I moved over to the other side of the house. I am sorry for interrupting your question.

Mr. FISHER: You have come exactly to the point I hoped we would finally get to, in so far as the questions I wanted to ask are concerned.

Mr. CHEVRIER: While that may not appear to be a logical position to take, I think, in all fairness to the position I held then, I could not take any other attitude, but that I would have had to object to the evidence being given. It would not have made any difference; I would have been the only one opposing that motion.

Mr. FISHER: Mr. Chevrier, we have, in the Jacques Cartier bridge, an administrative set-up that has two levels down, or three levels down from the minister—depending on how you look at the Montreal authority.

One of the things it seems to me we must decide in this committee is whether the set-up or the arrangement is an efficient one. Also it seems to me another point is that we are a parliamentary committee investigating this administrative set-up, to make recommendations with regard to it, to determine certain matters. How can parliamentary committees carry out, not this special function, but a continuing function of checking into such administrative set-ups as the Jacques Cartier bridge? Or how can the ministers keep in touch with them, if the minister says it is a question of detail and it is someone down below, if parliamentary committees are not able to get a complete set-up of information, and if there is no regular investigation of the matter?

I have made a tortuous statement, but I think it is the prime consideration of the committee, and I think we would appreciate having your version of that.

Mr. CHEVRIER: In so far as the National Harbours Board is concerned, surely you, or any other members of the committee, cannot say that you have not got all the information and more than you want? Any time a parliamentary committee wants to investigate the National Harbours Board, all it has to do is to get the reference from Parliament to do it.

I think when I was minister there was some feeling the National Harbours Board should be investigated by this committee. Once if not twice I suggested a motion be made to that effect. I may be wrong in this, but it strikes me that perhaps on one occasion that was done. There is nothing to stop a parliamentary committee going into the administration of the National Harbours Board, in the same way and to the same extent as it is done for the Canadian National Railways and the Trans-Canada Airlines, for instance—absolutely nothing. If a parliamentary committee wants to keep in touch with the developments in the administration of the National Harbours Board, all it has to do is to ask that it be brought before this committee, and I am sure the minister will be the first one to suggest it.

Mr. FISHER: We also have to recognize that the business of parliament, to a degree, originates with the government, through house leadership. Surely the problem we face is this question of ministerial responsibility and parliamentary scrutiny. Now, this whole long elaboration that we have had might have been completely unnecessary if either parliamentary scrutiny or ministerial responsibility had probed a little bit deeper.

We have had the answer from you, and I think we have had also an indication from Mr. Hees, when he gave evidence, that ministers cannot become involved in questions of detail like that. How do we keep a control?

Mr. CHEVRIER: By investigating, and calling here the witnesses of the National Harbours Board in the same way as, following the war, for instance all these crown corporations that were set up to report to parliament—and, very often, many of them came to parliament, as the motion now before the house, concerning Eldorado Mining-Refining Company and Atomic Energy of Canada. These are crown corporations, responsible to parliament, through a minister. But the minister does not interfere with the internal management. And these corporations may come before a parliamentary committee to be investigated and scrutinized. I think you do it in the same way. Otherwise, if you do not do that, then you are going to give the minister the power to interfere in crown corporations which, I think, was not the intention of parliament when it established this statute.

Mr. FISHER: Fine. I have read back through the debates and checked all the indices in Hansard and the journals in connection with the Jacques Cartier bridge.

We have the situation that the city of Montreal was brought into a legal suit with the province of Quebec over a number of years in connection with a very substantial sum, in connection with the agreement. Yet, I find no recommendation from you, when you were a minister—or any other minister—or a suggestion in the House of Commons that this matter be gone into and checked by our parliamentary committee. What is the reason for such failures, in your view?

Mr. CHEVRIER: I do not think it is a failure.

Mr. FISHER: You do not think it is a failure?

Mr. CHEVRIER: Certainly I do not. Why do not go into the C.O.T.C.? Why do you not go into the other ten or twelve corporations which come under the jurisdiction of the Minister of Transport? If you want to, I am sure the Minister of Transport of the day, as well as the present one, will say to you, "of course, if you want to go into the administration of maritime commission, for instance, we will call in the officers of the maritime commission".

Mr. FISHER: In other words, are you suggesting this comes down to a failure of parliament, as an institution, to keep its finger on all these things?

Mr. CHEVRIER: I do not think it is a failure of parliament. I think, if a committee wants to go into the affairs of a crown agency, all it has to do is ask for it—and I do not think the minister responsible will refuse it.

Mr. FISHER: This may very well be, but we have not this investigation or scrutinizing tradition to any great extent, with the exception of the Canadian National Railways, and one or two others. What I am concerned with is this. How do we keep our finger on such things as has happened in the case of the Jacques Cartier bridge—and I am not talking about the toll collections; I am talking about the fact that \$1 million was owed and no one kept pressure on anyone or paid any attention to it.

Mr. CHEVRIER: I think you could do that very easily on the minister's estimates. Surely, you could ask the minister why he did not.

Mr. FISHER: I am quite aware, and quite proud, of what each individual member of parliament can do; but how do you keep a steady running check on the efficiency of organizations? How do you keep them under the finger, if ministerial responsibility, as revealed, is not concerned with matters of detail?

Mr. CHEVRIER: In two ways. First, by the check exercised by treasury board in each one of these corporations, particularly the National Harbours Board, and by the overall check of the Auditor General. I may say that I have

no recollection of the Auditor General ever drawing to my attention any irregularities, including the one concerning the indebtedness of the province of Quebec to the federal government.

Mr. FISHER: Well, this is a shocker—that nothing developed on any aspects of this operation. I would tend to think that a failure to keep a proper control would be responsible for this.

You were not conscious, when you were a minister, of the need for a continual control, say by a parliamentary body, on all the aspects that were under your jurisdiction.

Mr. CHEVRIER: Certainly not; nor was I conscious for a need of a control in so far as the National Harbours Board was concerned. I thought—and still do—that the National Harbours Board were well administered, because there were three people; Mr. Roberts, who was with treasury a long time, and who had great knowledge of financial matters; Emile St. Laurent, who was an engineer, and who knew port operations—and by the way, he came from your part of the country; and Mr. R. K. Smith, a lawyer who, in my opinion, was a good administrator. I had confidence in those three people. If you are going to set up a statute, and give a board such as that jurisdiction over a matter of this nature, then you have to have the confidence in them. That aspect of it never entered my mind. I did not worry about it because I had so many other things to worry about that came up in the house from time to time.

Mr. FISHER: You made some remarks, when you were in your capacity as a member of the committee down here, in questioning on this matter of ministerial responsibility, and you drew a distinction between two kinds of responsibility, as I remember—between ministerial responsibility for a department, and ministerial responsibility for a crown agency. I would like to put a question to you. If you were a minister, and if there was revealed to be in the department a situation that became public, where money was being misappropriated, what would be your considerations in so far as resigning?

Mr. CHEVRIER: In so far as resigning?

Mr. FISHER: Yes.

Mr. CHEVRIER: Well, first of all, if there was a misappropriation in the Department of Transport revealed to me, I think it would be my duty and responsibility to take action at once.

Mr. FISHER: But where does the ministerial responsibility come in? I mean, if something is wrong or bad, in terms of department administration, ministerial responsibility, of course, is to check; but, also, where does ministerial responsibility come, in the sense that a minister would probably resign?

Mr. CHEVRIER: I certainly would not think of resigning in a case like that, unless it were brought to my attention that I knew about a situation of dishonesty, and did nothing about it. Then, of course, I would not be fulfilling my responsibility, and should resign. However, in the case of a matter, of which I knew nothing about, it is totally different. There may be people in the Department of Transport who are dishonest. I doubt it, but there may well be.

Mr. FISHER: In other words, in your interpretation, ministerial responsibility only extends as far as the minister is himself conscious of what is going on?

Mr. CHEVRIER: I believe so.

The CHAIRMAN: If you have no further questions of Mr. Chevrier, Mr. Browne will be next.

Mr. BROWNE (*Vancouver-Kingsway*): I have one or two questions I would like to ask. This is one point that was of interest. You suggested you would

have voted against the motion to produce the papers in connection with the Victoria bridge, if you had been here.

Mr. CHEVRIER: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): I recollect that it was your suggestion in the first instance that brought about the investigation of the Victoria bridge.

Mr. CHEVRIER: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): And I was wondering how we could investigate the bridge if we did not have the necessary information in connection with it.

Mr. CHEVRIER: You are quite right. Notwithstanding the fact that I am the one who moved the amendment to include the Victoria bridge, nonetheless, I feel if I had been here I would have had to take the same position, as member of the opposition, as I did when I was a member of the government, that on the advice of the Canadian National Railways I suggested to parliament that I did not think that information should be revealed; and in order to be logical with myself I think I would have to take the same position, and even vote against our own members who supported the motion.

Mr. BROWNE (*Vancouver-Kingsway*): There was one, which I thought was a rather important policy decision, in connection with the financing of the bridge, which was taken while you were a minister. It was during your tenure of office that the bridge became self supporting, and it was decided to pay off some of the capital debt. I questioned the financial officer on this capital debt owing, and there was also a deficit debt owing; and the deficit debt was being carried at a rate of five per cent, while the capital debt was being carried at a rate of only $2\frac{3}{4}$ per cent. I was wondering why the decision was made to pay off the amount of money on which the interest was only $2\frac{3}{4}$ per cent, and to allow the amount to stand on which the interest was being paid at the rate of five per cent.

Mr. CHEVRIER: I do not think I can answer that question.

The CHAIRMAN: Are there any further questions?

Mr. DRYSDALE: I have one question. Mr. Chevrier, do you remember why section 26 was repealed in 1953?

Mr. CHEVRIER: I do not know, I could not say.

The CHAIRMAN: Are there any more questions?

Mr. HORNER (*Acadia*): I wonder why Mr. Chevrier cannot answer that question, as to why they chose the debt at the lower rate of interest to be paid off before the debt at the much higher rate of interest.

Mr. CHEVRIER: I suggest that your question be put to the expert in the National Harbours Board who was responsible for it. I do not remember because it was so many years ago. If I were to attempt to answer you, I would only be guessing, and I would rather not guess.

Mr. HORNER (*Acadia*): Mr. Browne put that question to the accountant and he said that it was because of policy made by those above him.

Mr. CHEVRIER: A policy decision on Finance would be made by the members of the National Harbours Board. That is why I think this question should be put to Mr. Roberts. I am sure he would have an answer for it, because it was his responsibility in the board.

Mr. HORNER (*Acadia*): What you are saying is that the National Harbours Board determines the policy?

Mr. CHEVRIER: They determined the policy in so far as the administration of this agency was concerned; they determined the financial policy, and then it was passed on to the government for approval.

Mr. HORNER (*Acadia*): And the government would have approved this policy?

Mr. CHEVRIER: The government would either reject or approve it; and in this case as in most cases the government approved the recommendations that were made by the National Harbours Board to the minister.

Mr. HORNER (*Acadia*): You are saying that the government gave blanket approval to every policy decision?

Mr. CHEVRIER: I am not saying any such thing. You are the one who is saying it. You should not be asking questions which are misleading, such as the one you asked, because neither have I said nor have I indicated that the government did not know what it was doing. What I said was that it was the policy of the National Harbours Board to make recommendations to the minister, and that the minister had them approved or disapproved by his colleagues. And I assume that in this particular case the matter was approved.

Mr. HORNER (*Acadia*): The matter was approved, and then as minister you approved this policy decision of the National Harbours Board?

Mr. CHEVRIER: I did.

Mr. HORNER (*Acadia*): But you do not know why?

Mr. CHEVRIER: Well, I cannot remember why, because in the first place I do not remember the date, and it varies anyway from 10 to 15 years ago.

Mr. HORNER (*Acadia*): I think it was in 1957; I do not think it was as long ago as 10 to 15 years.

The CHAIRMAN: We were going to call the Hon. Mr. Marler at this time, but because Mr. Hees has a transport bill coming up in the house this afternoon, first thing, Mr. Marler has kindly consented to allow Mr. Hees to go on now.

Mr. MARTIN (*Essex East*): How long are we going to sit this morning?

The CHAIRMAN: Until 12:30, if you wish.

Mr. MARTIN (*Essex East*): There are other committees sitting.

The CHAIRMAN: I know. We all know that. Are there any questions of Mr. Hees? Mr. Fisher?

Mr. FISHER: Mr. Hees, we have had a most interesting statement from Mr. Chevrier that you have heard, in respect to the attitude taken towards jobs and patronage within the ministry of transport. Have you any changes to make, or anything to add or delete from the statement which Mr. Chevrier has made in this regard?

Hon. GEORGE H. HEES (*Minister of Transport*): I would prefer to answer direct questions.

Mr. FISHER: Have you given to anyone, either a member of parliament, or to anyone outside parliament who might be a member of your party, the responsibility for making job recommendations or placing people on the Jacques Cartier bridge?

Mr. HEES: The answer is no.

Mr. FISHER: Have you considered it?

Mr. HEES: No.

Mr. FISHER: You have given no authority to any member of parliament to have any agent put pressure, either by correspondence or telephone, for job opportunities on the Jacques Cartier bridge?

Mr. HEES: No.

Mr. FISHER: So if anyone has operated in this way by having an agent, you are not aware of it?

Mr. HEES: That is right.

Mr. FISHER: This question may have been asked you before, but since you became minister, and before you decided to call for this probe, were you aware that there was any interest amongst members of parliament in placing people in jobs at the Jacques Cartier bridge?

Mr. HEES: No more than in placing them in jobs anywhere else.

Mr. FISHER: No special interest?

Mr. HEES: No.

Mr. FISHER: Since you became minister, or before you called for this investigation, has any member of parliament brought to you any doubts or queries in relation to the Jacques Cartier bridge and the efficiency of its operation?

Mr. HEES: No.

Mr. FISHER: We find in letters that have been filed here by members of parliament where they expressed doubts about the fairness of Mr. Clément as bridge superintendent in the way he treats people sent for jobs there by members of parliament. Was this ever brought to your attention by Mr. Campeau, the member of parliament?

Mr. HEES: It was never brought to my attention by anybody.

Mr. FISHER: You are not aware that it was ever brought to the attention of your executive assistant?

Mr. HEES: I am not aware that it was, if it ever was.

Mr. FISHER: What is your answer to the question about ministerial responsibility, Mr. Hees, that I asked of Mr. Chevrier?

Mr. HEES: I think I answered that question some time ago in the early meetings of this committee. I think the minister has an overall responsibility for policy, but not for administrative detail.

Mr. FISHER: Can you make any suggestions as to how the situation that we had at the Jacques Cartier bridge—which does seem anomalous, at least in so far as the debt and the province of Quebec was concerned—could be better scrutinized by the House of Commons and parliament?

Mr. HEES: Well, Mr. Chevrier indicated that this was a matter of how much time committees of parliament are willing to devote to this kind of work.

Mr. FISHER: Does it seem to you that they should devote any time to it?

Mr. HEES: I think that these committees perform a very useful function indeed; and if a committee of this kind wished to investigate any function coming under my jurisdiction, I would be only too happy to have such function brought before this committee to be thoroughly examined.

As you will remember, a suggestion of your own through the press was put to me that this committee should examine the toll collection operations of the Jacques Cartier bridge, and I immediately said that I wanted this to be done. I remember that on the first opportunity that I could do so after parliament met in January I brought this matter before this committee.

Mr. FISHER: As someone who made the suggestion, I am not too happy with the way the committee has operated; and in fairness to the chairman of the committee I want to explain that this is not an attack upon him.

The CHAIRMAN: I hope you do.

Mr. FISHER: It seems to me that this committee is too big, too unwieldy to carry out a quick and detailed study. Would you consider, Mr. Hees, that a better job, a continuing job of checking agencies such as the Montreal port authority or the National Harbours Board could be better done by a small sub-committee of this committee?

Mr. HEES: That is something I would not like to express an opinion on. That is something which the committee—having sat through all these hearings, and when members of this committee are also members of other committees—that is something for the committee to decide for itself. But before finishing my answer I would like to say that the committee has been extremely well conducted. I think the chairman has done an excellent job, and also the vice chairman, when he took his place. I think you will agree that the witnesses were given every opportunity, and were encouraged in every way possible, to give all the evidence that they were asked for, that there has been nothing held back, and that this has been a full and wide-open investigation. I think this has been a good investigation.

Mr. FISHER: My criticisms are based on—

The CHAIRMAN: Excuse me, Mr. Fisher. That would be the procedure of the committee, and I think what you are trying to get at is this: you feel that a smaller group of the committee should do the investigation?

Mr. FISHER: It seems to me we have had an indication in this committee that ministerial responsibility today, because of the very wide scope of operations, cannot go very deeply into detail. If there is an alternative, an efficient way of checking and keeping a finger on these things, perhaps parliament—since the acts tend to provide it—can do part of this chore; and it would have to do it through a parliamentary committee.

I am trying to find out from the minister if he could see, or appreciate that smaller committees, operating on a regular basis, could regularly look at a number of operations of the department, even during the off-session period, even by going and visiting the operation.

Mr. HEES: In my opinion, small committees usually are more effective than large committees. I am not prepared to say that committees of this house could function during the time when parliament is not in session, because of the many difficulties that are apparent.

But I think that perhaps the breaking up of various operations of the department by sub-committees of a main committee might cover more ground more effectively. That might be.

Mr. FISHER: Now may I ask you: Do you feel, in view of the very huge scope of your department's operations, that something like this should be considered?

Mr. HEES: I am all for considering anything that might do a job better, certainly. I am not coming out now and making a recommendation to follow the course you are suggesting; but I say it is worth while considering, and that is something perhaps this committee might consider when it has finished these sittings and is writing its report.

Mr. FISHER: We have had revealed here an indication from you and Mr. Chevrier that, because of the scope of your responsibility, really, your detailed knowledge and the efficacies of the checks you can make on a regular basis on something like the Montreal port authority is actually rather slight: I think that is fair, is it not?

Mr. HEES: I would say, for my own part, that I would welcome the most searching scrutiny of any operation of this department.

Mr. FISHER: Let me put the question a bit more directly. You have a host of operations that would parallel the Jacques Cartier bridge, in terms of an administrative set-up; is that not correct?

Mr. HEES: That is right.

Mr. FISHER: Would you not agree that a parliamentary committee, on a regular basis, could keep a closer look on these things than you are able to perform as the minister?

Mr. HEES: I think, perhaps.

Mr. FISHER: That is what I want.

The CHAIRMAN: Are there any other questions of Mr. Hees?

Mr. DESCHATELETS: I understand, Mr. Minister, that you came into office some time in June, 1957.

Mr. HEES: I am told that is correct.

Mr. DRYSDALE: A memorable day!

Mr. DESCHATELETS: Would you tell the committee at what time you became aware, if you ever did become aware, that the province of Quebec was in debt for an amount of around \$1 million?

Mr. HEES: I could not tell you the exact time.

Mr. DESCHATELETS: Let us say, some time in December, 1957, did you become aware of this fact?

Mr. HEES: I would think that probably in December, 1957, I was aware of the fact.

Mr. DESCHATELETS: Would you tell the committee if you have taken any steps in order to come into communication with the authorities of the province of Quebec to settle this amount?

Mr. HEES: I will be very glad to do that. Having talked this matter over with the members of the National Harbours Board, I was aware of the position taken by the province of Quebec, when Mr. Duplessis was premier, regarding this debt of something like \$1 million. Also, I was well aware of the very strong position which Mr. Duplessis took on this matter.

However, in December of last year, when Mr. Paul Sauve became the Premier of the province, I immediately phoned him and discussed this matter with him. I told him that I would appreciate it if he would discuss this matter in detail with the chairman of the National Harbours Board, Mr. Maurice Archer, and asked him if he would see Mr. Archer. He said he would be very pleased indeed to see Mr. Archer, and Mr. Archer planned to make a trip to Quebec to see Mr. Sauve in January.

As you know, Mr. Sauve died just about the beginning of the year, and that meeting, of course, was not possible.

However, Mr. Archer did go to Quebec in March and discussed this matter with Mr. Barrette, and Mr. Barrette promised that he would give this matter very serious study. That is going on at the present time. We have not had a report from the Quebec government since Mr. Archer talked with Mr. Barrette in March.

Mr. HORNER (*Acadia*): My question is laid along the line of reasoning that Mr. Chevrier left with us, that it was more or less up to members of parliament—in reply to questions by Mr. Fisher—to recommend to the minister that certain areas of his department be brought before a committee to study. Is this your belief now?

Mr. HEES: I will put it this way: the minister gives to the various and many aspects of responsibility under his control all the supervision that he can, all the supervision which time allows. I believe, as minister, that the various areas of jurisdiction under my control are functioning well. That does not say that there are not mistakes being made, or things that could not be done better. I believe that those in charge of our crown corporations are supervising the operations of those crown corporations well, and I believe that the department is functioning well.

I am not able, by any manner or means, to check into the myriad of detail that comprise these many and varied operations. I have said that I would be very happy to have this, or any other committee, scrutinize

any activities which the members of this committee feel might bear investigation. If this committee wanted to look over all the operations of the department during a year, I would be very happy to have that done. I think it is up to the committee to decide what they want to look into, how much time they want to spend, and how much time they can spend on these examinations, because the number of operations under the jurisdiction of the Department of Transport are really very many indeed. They are complicated and involve a great many people and a great deal of money.

Mr. HORNER (*Acadia*): Do you feel the order to have a certain area of a department called before the committee is up to the committee and not the minister?

Mr. HEES: That is the way the committee system operates here in parliament. The committee decides what it wishes to do, not the government.

The CHAIRMAN: We would have to make a recommendation to the house.

Mr. HORNER (*Acadia*): The house either approves or not.

Mr. FISHER: Mr. Chairman, this may be true to a degree, but it seems to me, in checking the record as to what a committee goes into, in the main it is usually on a direction in the house from the government that it look at a certain area. I mean, regardless of the remarks one can make about the responsibilities of the committee, the fact remains that we have a party system in the House of Commons and the government is in charge of the business of the house. I just want to make clear the direction which I hope my questions were leading is that we have an extended bureaucracy which needs checking and perhaps parliament through its committees can do the job and accept some of the responsibilities which obviously ministers cannot accept.

Mr. HEES: I think that suggestion is an excellent one. I, as a minister, welcome all the checking which any committee of parliament would like to do on the operations of my department, because I as minister simply do not have the time to check into even a very small proportion of the details of these operations.

Mr. FISHER: I would like to check as to whether or not the reporter got that interjection from Mr. Martin.

Mr. MARTIN (*Essex East*): He may not have got it. If he did not I want to repeat it.

Mr. FISHER: If it is on the record I want to have something to say.

The CHAIRMAN: Have you any further questions, Mr. Fisher?

Mr. MARTIN (*Essex East*): Mr. Fisher objects to my interjection. He hopes the reporter did not get it.

The CHAIRMAN: I did not hear it. I think that is enough.

Mr. MARTIN (*Essex East*): I would like to repeat it.

Mr. FISHER: If you want to have a debate here you will certainly get it if you get that on the record.

Mr. MARTIN (*Essex East*): I made a statement that this shows how much more abuse would happen in this system under a socialist state. That is a proper remark which I hope is in the record.

Mr. FISHER: This, coming from this neo-socialist over here, just outrages me. I think we have a situation where an ex-minister of a department which is a very fast growing department wants to drag in socialism. To have socialism dragged in by this neo-socialist is just trouble.

Mr. HORNER (*Acadia*): My question arises out of the statement by Mr. Chevrier that the National Harbours Board goes to the minister for policy

approval. He stated that the harbours board decisions on policy go to the minister for approval. Is this the method by which all crown corporations are handled?

Mr. HEES: I would put it this way. The heads of crown corporations normally would discuss with the minister any important change of policy, or an important new policy; but if it is a relatively minor change of policy the board itself would normally go ahead and carry out the change without reference to the minister. It is all a matter of degree.

Mr. HORNER (*Acadia*): In other words what you are saying is in a major change of policy the minister and the heads of the crown corporations work together.

Mr. HEES: Yes.

Mr. ROGERS: Mr. Chairman, before we adjourn I want to take issue with a statement I am supposed to have made. This is on page 885. The words are "Silly, raw man".

The CHAIRMAN: Which page, Mr. Rogers?

Mr. ROGERS: 885. I do not think I said that at all.

The CHAIRMAN: It is in the proceedings now and I judge that will correct it.

Mr. HORNER (*Acadia*): Mr. Chairman, I have a further question. In respect of the policy decisions, when the minister is working with the heads of the crown corporations, would you say a tariff change in respect of the Jacques Cartier bridge would be a major policy decision.

Mr. HEES: I think that would be considered as a major policy change; yes.

Mr. HORNER (*Acadia*): I am not speaking of the present manager of the National Harbours Board, but the previous two would more than likely go to the minister for a discussion in respect of a change of tariff if they decided they needed one?

Mr. HEES: In the case of this particular proposed change in tariff, the chairman of the National Harbours Board spoke to me about it and showed me the tariff which the National Harbours Board suggested.

Mr. HORNER (*Acadia*): I realize that; but in years gone by the minister would have been consulted if a desire for a change had been evident?

Mr. HEES: Yes.

Mr. CHEVRIER: May I ask a question. Would you make a distinction between an amendment to a tariff such as took place once or twice during the existence of the National Harbours Board, and the new tariff which was put into effect prior to the installation of the automatic machinery?

Mr. HEES: Yes. I would say that is a good example of the difference between a major policy change and a minor policy change. As I say, a new tariff would be a major policy change which would be discussed with the minister. A small amendment to an existing tariff I would class as a minor policy change and one which would not be discussed with the minister.

Mr. HORNER (*Acadia*): With respect to small committees, as Mr. Fisher suggested, this committee at times has been as small as it possibly could be. Would you then suggest that the quorum be smaller in order that it be able to do its work properly?

Mr. FISHER: I was not implying that.

Mr. HEES: I would not like to comment on that. I have not given the matter any thought.

Mr. HORNER (*Acadia*): I am opposed to any more special committees being set up and having perhaps a few of the people perhaps in Mr. Fisher's class

as the brain-child of parliament being in those committees and nothing else. I think a standing committee can investigate anything just as well as any special committee which Mr. Fisher wants to be established.

The CHAIRMAN: If there are no further questions of Mr. Hees, I will call Mr. Marler.

We now have the hon. George Marler, Minister of Transport from 1954 to 1957. You have no statement?

Hon. GEORGE MARLER: No; I have no statement.

The CHAIRMAN: Are there any questions?

Mr. FISHER: Your place of residence is Montreal? I mean, it was.

Mr. MARLER: It was in Montreal.

Mr. FISHER: You were a citizen of Montreal and were also active in municipal affairs there for some time.

Mr. MARLER: That is correct.

Mr. FISHER: You have a fairly real knowledge of the city and the Jacques Cartier bridge situation within the city?

Mr. MARLER: I think the degree of my knowledge might be a matter of opinion; but I think I was reasonably familiar with the policy from the municipal and federal point of view.

Mr. FISHER: When you became Minister of Transport did the bridge, or anything in relation to it, come on your agenda right away, as a matter of concern?

Mr. MARLER: I do not think so.

Mr. FISHER: You, I gather, were the person, who had something to do with the calling together of this committee that met in 1955, which made certain recommendations in connection with the Victoria and Jacques Cartier bridges, and also some tentative recommendations about a new bridge.

Mr. MARLER: Yes, that is correct.

Mr. FISHER: What initiated that?

Mr. MARLER: Well, I think, perhaps, I might say there were two causes. The first was a very general demand in Montreal for another bridge across the river and, although my memory may not be entirely correct on this, also a scheme which the Montreal town planning department had for providing a roadway joining the Jacques Cartier bridge and the Victoria bridge with the dyke of the seaway, and also, if possible, linking it up with the new bridge over Nuns island.

I think it was the enormous difficulties that would have followed the carrying out of any such scheme that seemed to make it necessary to get all the parties and interests to come and to examine the proposals, and to demonstrate the fact they were completely unworkable.

Mr. FISHER: As I read this report, I find nothing in it, in so far as the automatic toll collection device being a means of speeding it up.

Mr. MARLER: No, I do not think that was discussed by the committee, and I do not think that was within the terms of reference.

Mr. FISHER: When did you become interested, as a minister, in the question of automatic machines for the toll bridge?

Mr. MARLER: I must rely only on my memory, but I think it must have been during the summer of 1956, so far as I can recall.

Mr. FISHER: Was it brought to your attention, or did you initiate it?

Mr. MARLER: No, I did not initiate it. It was brought to my attention by Mr. Roberts.

Mr. FISHER: Had you ever considered before that the possibility of automatic machines on those bridges?

Mr. MARLER: I must admit I did not even know they existed.

Mr. FISHER: You never heard any indication that the Jacques Cartier operation was an inefficient one, in terms of putting people through?

Mr. MARLER: No. I think the only complaint that was general, was that it took too long on the week-ends.

Mr. FISHER: Just on the week-ends?

Mr. MARLER: Yes, on Saturdays and Sundays.

Mr. FISHER: During your regime as minister, the Jacques Cartier bridge situation was never a live one, except in so far as it related to the St. Lawrence seaway. Is that a fair way of putting it?

Mr. MARLER: Well, your question is vague enough that it makes it difficult for me to give an answer.

The Jacques Cartier bridge was always a matter of great interest to people in Montreal, and a matter of continual discussion between Mr. Roberts and myself—not in regard to toll collections, but in regard to the number of lanes, the desirability of improving the north end accesses to the bridge, and the board's own plans for the new approaches at the south end. These were all matters of very lively concern during the whole time when I was Minister of Transport.

Mr. FISHER: During that lively concern were any doubts or questions raised about the actual efficiency of the toll collectors?

Mr. MARLER: At no time.

Mr. FISHER: During your administration, you never had any doubts about the safety of the revenues?

Mr. MARLER: I never had any reason to have any doubts, and I had no doubts.

Mr. FISHER: So, we can take it from that, that you heard none of these stories or jokes, or anything about the affluence of the toll collectors?

Mr. MARLER: The first time I knew anything about that was when I read the account of the evidence before this committee.

Mr. FISHER: What was your attitude on this question of the \$1 million debt that the province of Quebec owed under the agreement; and what did you do about it?

Mr. MARLER: Perhaps, if I might go a little bit further back.

I was a member of the city administration when this question was first brought up. One of my colleagues of the executive committee thought that the agreement to which the city of Montreal was a party, did not make it liable for the full amount of \$150,000 a year. I read the agreement, and I did not agree with that conclusion. But, despite my disagreement with it, the city decided to have litigation with the government, with regard to its liability. I did not express a legal opinion as a member of the executive committee, but I was not surprised when the supreme court held that the city was fully liable for the amounts claimed by the government. It was not a matter of surprise at all. As far as the province is concerned, the fact the city decided not to pay seemed to provide the Quebec government an excuse for not paying, too; and when I became Minister of Transport I think the principal amount outstanding was somewhere around \$600,000 or \$700,000, leaving out the interest.

I know that Mr. Chevrier had made efforts to obtain payments from the province of Quebec and, on one occasion, I renewed Mr. Chevrier's efforts.

I saw Mr. Duplessis, and discussed this question with him. Mr. Duplessis' remark—and this may amuse the committee—was this. He said: for years, you have been saying the province of Quebec has been having a deficit in its accounts; how do you expect us to be able to pay this money?

All I can tell you is that it was perfectly clear to me, from my conversation with Mr. Duplessis, that the only way the government would succeed in obtaining payment would be to take action against the province of Quebec. We did not take action while I was minister, and I think we would have been very unwise to have done so. One of the questions that arose at the same time was the question of the relations of the federal government, through the seaway authority, with the province, concerning the bed of the St. Lawrence river; and it was much more important that we should get on and build the seaway, that we should be able to take the land we required for the dyke and for the various parts of seaway, which were being erected on what the province contended was provincial land, that we should be able to take the land needed for the diversional span on the Victoria bridge, rather than have a glorious test as to whether or not the province really owed the money, and have the works of the seaway delayed by action taken by the government.

On top of that, our relations with the provincial authorities, in connection with the bridges, have to be friendly. Let us take the Mercier bridge. There it was necessary to build the most extensive approaches, in order that it should serve highway traffic. Mr. Chevrier and I went to see Mr. Duplessis to talk particularly about that, and I think, because we showed a reasonable attitude, the government's contribution toward the re-arrangement of the highways there involved a great many hundreds of thousands of dollars which, I think, the seaway might have had to pay if we had been at war with the provincial government. It was not just a matter of saying: you owe me the money, and if you do not pay, we are going to sue. It was a matter which I thought would ultimately be taken care of when the seaway was finished and there would be discussion between the seaway authority and the provincial government, as to what each owed the other.

MR. FISHER: The question that we were left with by Mr. Roberts was that there was a period when the federal authority, as a policy decision evidently on the part of the minister, did not approach or did not push strongly with the provincial authority a revision of the tolls on the Jacques Cartier bridge, in preparation for the automatic machines. Could you enlighten us on that?

MR. MARLER: With regard to the question of tolls, one thing I think has not been said to the committee, but which I think ought to be said, is this. I am sure you will agree that anybody living in Montreal would feel, whether you crossed the Victoria or the Jacques Cartier bridge, that the tariff should be the same. Now, the Victoria bridge could not accommodate all the traffic which the Jacques Cartier bridge could; but on the traffic that would be common to both, it was obviously elementary that two agencies of the crown—the C.N.R., which owned and operated the Victoria bridge, on the one hand, and the National Harbours Board which operated the other, should have identical tariffs, so far as it was possible. Personally, I am quite unable to testify as to the date, but some time, I think, in 1956, the two agencies, at my insistence, got together to talk about having identical tariffs. You must not forget that they started life differently. The one was the old harbour commissioners of Montreal, which started the bridge, and was quite independent of the C.N.R.

But it seemed to me that the two agencies should get together and arrive at a common tariff, but for some reason which I feel difficult in retrospect to understand, in the middle of the summer of 1956 the Canadian National Railways tariff for the Victoria bridge was revised.

So far as I can see without having studied the matter recently, there were differences which ought not to have existed, and I think, quite frankly, there was a lapse on my part in submitting the Canadian National Railways tariff for the approval of the privy council in the summer of 1956.

At all events I had a note later from Mr. Roberts to the effect that they were endeavoring to reconcile their differences with the Canadian National Railways so there would be a common tariff. But this was in the fall of 1956, and so far as I know the agreement as to having a uniform tariff for the two was not reached while I was minister.

I know the difficulties, of course, with regard to the National Harbours Board operation, because under the agreement it would have to be submitted to the lieutenant governor in council; and I gathered from reading Mr. Roberts' testimony the other day that he had said that when he spoke to me I said it would take a long time to get it approved. But I did not mean that in getting it approved by the federal government it would take a long time. I had known Mr. Duplessis personally for a very long time, and I knew at that time that this was not a subject which he would consider as having very high priority.

I am not at all surprised that it took a long time after the change of government before the governor in council in Quebec passed the necessary order approving the National Harbours Board tariff. The tolls for the Victoria bridge did not need that approval. They could be made effective at any time.

Mr. FISHER: When Mr. Roberts brought this to your attention and said that it would take a long time—

Mr. MARLER: No, I said it.

Mr. FISHER: Did you take it up with Mr. Duplessis?

Mr. MARLER: No, I did not.

Mr. FISHER: Because of the same reasons which you mentioned before?

Mr. MARLER: Because the two agencies had not yet agreed on a common tariff, and they did not agree on a common tariff while I was Minister of Transport. Consequently I never had the responsibility or the opportunity to deal with the Quebec government in regard to this approval of a new tariff for the Jacques Cartier bridge.

Mr. FISHER: Were you aware of any exceptional interest on the part of people seeking jobs on the Jacques Cartier bridge as toll collectors?

Mr. MARLER: No, I was not.

Mr. FISHER: Were you under the same kind of pressure that we had indicated by Mr. Chevrier, from members of parliament, upon your office to make recommendations for jobs on the bridge?

Mr. MARLER: I do not think anybody ever exercised any pressure on me at any time to get a job as toll collector, or anywhere else.

Mr. CHEVRIER: I am sure that Mr. Fishrer does not want to misinterpret the answer I gave, that at no time was pressure ever put on me.

Mr. FISHER: Very well, I shall withdraw the word "pressure". Your office was not a channel for members of parliament in that regard?

Mr. MARLER: It was not a channel. Of course a member of parliament might have had an application from some protege for a job, and he would send it to me, and all I would do would be to pass it along to the National Harbours Board; because I knew that they were perfectly free to hire and fire their people as they saw fit, and they knew perfectly that I would back them up 100 per cent in whatever position they took within the terms of the statute.

Mr. FISHER: You never made any interference in any way?

Mr. MARLER: Never.

Mr. FISHER: Were there never suggestions made to you that you should?

Mr. MARLER: I have had friends who have had friends that they wished that the National Harbours Board would engage, just as we all have people coming to us to say, "Can you not find a job for somebody?"

Mr. FISHER: But there was nothing unusual?

Mr. MARLER: There was nothing that anybody here would not think was perfectly normal.

Mr. FISHER: You had no doubts at any time when you were minister about the safety of the revenue that was coming from the Jacques Cartier bridge?

Mr. MARLER: None whatever.

The CHAIRMAN: Now, Mr. Pigeon.

Mr. PIGEON (*In French*)—

Mr. FISHER: Mr. Chairman, on a point of order, I made no such statement.

The CHAIRMAN: Please wait until we have the interpretation. I want to remind you again to make a break in your questions so that the interpreter has a chance to interpret them.

Mr. PIGEON (*Interpretation*): Mr. Marler, and earlier this morning Mr. Chevrier made statements to the effect that the revenue of the Jacques Cartier bridge as the result of installation of automatic toll equipment had increased by approximately 40 per cent.

The CHAIRMAN: Thirty-five per cent.

Mr. PIGEON (*Interpretation*): Would you have any idea as to the reason for the increase in revenue at that time between the time you replaced the manual collection system with the automatic collection system?

Mr. CHEVRIER: I made no such statement. The statement was made by Mr. Pigeon himself. I recall 35 per cent being mentioned, but I did not make that statement.

Mr. MARLER (*Interpretation*): Mr. Pigeon, I might reply in this particular way: I believe that it is very difficult to arrive at an intelligent conclusion as to the reason for an increase, for instance, in the months of September, October, November, and December of 1959, over a given period in the previous year; I think there are many reasons; they are very difficult, perhaps too difficult.

I might add this, Mr. Chairman, that a great deal depends on conditions at the Victoria bridge. At a time when there is construction work going on at the Victoria bridge, the traffic increases on the Jacques Cartier bridge. When a part of the Victoria bridge is under repair and is closed, there would naturally be an increase on the other bridge; and when work is done on the Jacques Cartier bridge, the traffic of course decreases. I do not personally know of work that was done in 1958 and 1959, and this is essential in order to be able to give you an intelligent opinion.

Mr. PIGEON (*Interpretation*): You said that there were several reasons. You have just given one. Do you know of any others?

Mr. MARLER (*Interpretation*): No, I do not.

Mr. PIGEON (*Interpretation*): How is it, Mr. Marler, that Mr. Beaudet stated here that work on the St. Lawrence Seaway and approaches to the bridge, construction work, in no way affected the income of the bridge?

Mr. DESCHATELETS: On a point of order, Mr. Chairman: would it be possible to know from Mr. Pigeon the page reference he is attributing to a statement of Mr. Beaudet's?

Mr. PIGEON (*Interpretation*): Mr. Beaudet stated that it had not considerably affected the revenue.

Mr. DESCHATELETS: On the same point of order, Mr. Chairman: would it be possible to have the reference, the page?

Mr. PIGEON (*Interpretation*): I can give it to you after dinner.

Mr. MARLER: I think I could settle the problem, regardless of the page number. I do not propose to comment on Mr. Beaudet's evidence. I think it would be most unsuitable for me to do that.

Mr. PIGEON (*Interpretation*): When you were in office, Mr. Marler, did you, from far or near, hear any complaints relative to toll collectors?

Mr. MARLER (*Interpretation*): No.

Mr. PIGEON (*Interpretation*): You never received any letters, nor any telephone calls, nor any notices?

Mr. MARLER (*Interpretation*): No.

Mr. PIGEON (*Interpretation*): Did the port authorities advise you of the number of resignations and the reasons for the resignations that might have occurred?

Mr. MARLER (*Interpretation*): I learned of this for the first time when I read the evidence before this committee.

Mr. PIGEON (*Interpretation*): Did you yourself make any recommendations, either by letter or by telephone, to recommend toll collectors to the port authorities?

Mr. MARLER (*Interpretation*): None.

Mr. PIGEON (*Interpretation*): You never had any intervention, either from far or from near?

Mr. MARLER (*Interpretation*): As I stated in a reply to a question directed to me by Mr. Fisher, I forwarded the letters received to the National Harbours Board, but I never personally made any recommendations.

Mr. PIGEON (*Interpretation*): On these letters you never inserted any personal word?

Mr. MARLER (*Interpretation*): No, Mr. Chairman. These letters were written by my executive assistant.

Mr. PIGEON (*Interpretation*): To come back to the beginning: you cannot give any additional reasons to explain the increase in revenue on the Jacques Cartier bridge?

Mr. MARLER (*Interpretation*): Mr. Chairman, I do not believe I can add anything to the reply I have already given Mr. Pigeon.

Mr. PIGEON (*Interpretation*): When you took office in 1954, did the National Harbours Board, in their reports to you, ever indicate the number of toll collectors who resigned, whether for cause or any other reasons?

Mr. MARLER (*Interpretation*): The matter of hirings and firings, at the bridge was under the exclusive jurisdiction of the National Harbours Board and was never mentioned in any of their reports.

Mr. PIGEON (*Interpretation*): Did you not think, Mr. Marler, that as the position of the minister in the house is to answer for the credits, would it not have been wise for the minister to request this information to be included in the reports, in the interests of the public?

Mr. MARLER (*Interpretation*): Mr. Chairman, I do not know what reports are referred to.

Mr. PIGEON (*Interpretation*): Relative to resignations and irregularities, if there were any.

Mr. MARLER (*Interpretation*): Mr. Chairman, I have stated that I did not receive such reports.

Mr. PIGEON (*Interpretation*): Do you find that in the interests of the public it would have been preferable for you to receive such reports?

Mr. MARLER (*Interpretation*): Mr. Chairman, I believe that if we were to do this for the National Harbours Board, we would also have to do it for the C.N.R. and for the many other agencies of the Department of Transport. It would then be an impossible task.

The CHAIRMAN: Do you have any other questions, Mr. Pigeon?

Mr. PIGEON (*Interpretation*): During the work on the St. Lawrence Seaway, was there not one lane closed on the Jacques Cartier bridge?

Mr. MARLER (*Interpretation*): It was never closed.

Mr. PIGEON (*Interpretation*): No; but was one side closed?

Mr. MARLER (*Interpretation*): I do not believe that even one lane was closed; one lane was added, I believe, in 1956 or 1955. It was a matter of adding lanes rather than subtracting.

Mr. PIGEON (*Interpretation*): Could the work on the St. Lawrence seaway, either from near or from far, have brought about a loss in revenue on the Jacques Cartier bridge?

Mr. MARLER (*Interpretation*): I believe, Mr. Chairman, that this would have depended a great deal on the commuters. Those living in Saint Lambert would have had a choice of both bridges and probably would have taken the Victoria bridge when work was going on the Jacques Cartier bridge. On the other hand if no work is going on on the Jacques Cartier bridge they would have preferred to take the Victoria bridge. Those who live east of the Jacques Cartier bridge and who probably ordinarily took the Jacques Cartier bridge would continue to do so. We cannot say that it was a total loss. There was probably a decrease.

Mr. PIGEON (*Interpretation*): Do you believe that the decrease was considerable, or not?

Mr. MARLER (*Interpretation*): Month by month it is almost impossible to know if one particular factor is more important or not. There are a great deal of factors which enter into this.

Mr. PIGEON (*Interpretation*): How is it that a while ago you stated that one of the reasons there was an increase was probably due to the traffic, and now you state it is impossible to establish this definitely.

Mr. MARLER (*Interpretation*): I am attempting to show the committee why I cannot arrive at any judgment as to the increase. I stated that conditions on the bridges were a factor and I tried to show that the conditions on the two bridges were certainly a factor and exercised a great deal of influence on the revenue.

Mr. Pigeon is asking questions about events which took place when I was not in the Department of Transport and today it is even more difficult for me to determine these things since I am not even a member of parliament.

Mr. PIGEON (*Interpretation*): Mr. Marler, you were minister from 1954 to 1957. During that time the revenue from the bridge was lower than it is at the present time as a result of the installation of automatic equipment. That is why I wanted your opinion as to the reasons for the increase of 35 or 40 per cent.

Mr. MARLER (*Interpretation*): I would like to point out that the revenue for the period 1954 to 1957 was higher than in previous years. There is nothing surprising in the fact that in periods of economic prosperity the revenue

should increase even more. The reasons for a particular increase in the month of September, 1959, for instance, are not within my scope. I cannot give an intelligent opinion as to that. I have already stated that twice.

Mr. PIGEON (*Interpretation*): Just as do the Canadian people, I find it is astounding to see that there has been an increase of from 35 to 40 per cent since the installation of the automatic equipment compared to the previous years. That is what I wanted to point out.

The CHAIRMAN: Gentlemen, it is half past twelve. There will be other questions. Mr. Horner has some questions. We will meet immediately after the orders of the day in room 112N.

Mr. HORNER (*Acadia*): Am I led to believe I am the first on the list?

The CHAIRMAN: You are the first on the list.

Mr. HORNER (*Acadia*): I will be there.

Mr. DRYSDALE: Would you please put my name down also.

AFTERNOON SITTING

TUESDAY, May 17, 1960

3.25 p.m.

The CHAIRMAN: Gentlemen, we have a quorum. Mr. Horner is first on the list to ask questions. We still have as witness the Hon. George Marler, former Minister of Transport.

Mr. HORNER (*Acadia*): I have some questions on the matter of administration, and who was responsible for what. We seem to have had a kind of agreement this morning, when the previous minister thought that with certain major policy decisions the minister of the department was called in. Mr. Hees suggested that he considered as minor policy a decision just to amend the tariff, but that a complete new tariff would be considered a major policy decision when the minister would be drawn into the discussions.

Along this same line, when the National Harbours Board was under your jurisdiction were they able to call in the R.C.M.P. to investigate operations on their own? Would that be a policy decision of their own?

Mr. MARLER: I think a great deal would depend on the scope of the investigation. Might I deal with your preface first?

I did not entirely agree with my successor this morning when he spoke about amendments to the tariff. I think perhaps he overlooked the fact that all amendments have to be dealt with by order-in-council, consequently they would have to be submitted by the minister. So they could scarcely be made unless he himself supported them, and made a recommendation to council. That would be necessary to put them into effect.

On the second question I think a great deal would depend on the scope of the investigation. No such question arose in my time, and I never had occasion to discuss the investigation with Mr. Roberts either with regard to the Jacques Cartier, or with regard to other operations of the board itself.

Mr. HORNER (*Acadia*): Mr. Roberts or Mr. Beaudet never at any time came to you and said that such an investigation should be carried out?

Mr. MARLER: I have never had anything to do with Mr. Beaudet, except in a most casual fashion when I visited the harbour at Montreal. I think my dealings were all with Mr. Roberts after he became chairman of the board, and before him, with Mr. Smith. So I never really had any discussion with Mr. Beaudet on matters of administration.

Mr. HORNER (*Acadia*): I notice at page 641 that Mr. Beaudet said:

In 1955, in February, I sent instructions to the chief of police to make another type of investigation because, as I said a minute ago, I was not very impressed by the results obtained from the type of investigation carried out by the Canadian National Railways.

This never came to your knowledge?

Mr. MARLER: No, at no time.

Mr. HORNER (*Acadia*): You said this morning that you tried to bring about an agreement on tariffs on the part of the Canadian National Railways and the authorities of the National Harbours Board. But Mr. Beaudet said at page 642:

Mr. BEAUDET: Yes. In 1954 I suggested to my board to change the tariffs. We were then working on a new tariff; in conjunction with the Canadian National Railways. It was in 1955 or probably early 1956, when we arrived at a satisfactory tariff.

Mr. MARLER: I am not really in a position to speak for Mr. Beaudet. I can only speak about the situation for myself. My recollection is that the discussion which I had with Mr. Roberts with regard to having a uniform tariff for the two bridges must have occurred between the latter part of 1956 and the early part of 1957. At all events, when I had left office, no agreement had been reached between the two agencies as to our having a common tariff.

Mr. HORNER (*Acadia*): That seems odd. It is directly contrary to what Mr. Beaudet said at page 642.

Mr. MARLER: I have not followed Mr. Beaudet's evidence in that way. All I can do is to testify as to my own recollections of the matter. But I think if you look at the minute which is in one of the early numbers of the committee's proceedings, where the meeting was held at Montreal in October 1956, I think you will see that that minute implies quite clearly that no agreement had been reached with the Canadian National Railways with regard to the tokens and with regard to the tariffs.

Mr. HORNER (*Acadia*): It seems odd that Mr. Beaudet said on page 642 that:

It was in 1955, or probably early 1956, when we arrived at a satisfactory tariff.

And he is talking of a meeting in conjunction with the Canadian National Railways.

Mr. MARLER: Mr. Horner, as I said this morning, Mr. Roberts sent me a note in October, 1956 with regard to the Canadian National Railways tariff which had been approved by the council in August, 1956, and it was quite clear from that memorandum that the two agencies had not yet come to an agreement with regard to a common tariff. Do not ask me to explain what Mr. Beaudet or Mr. Roberts said. All I can tell you is my own recollection.

Mr. HORNER (*Acadia*): I asked a similar question of Mr. Archer at page 645 when I suggested to him as follows:

Mr. HORNER (*Acadia*): You cannot say why you did not take it to the minister in 1956?

And he replied:

Mr. ARCHER: The other chairman discussed it with the previous minister, I am sure.

Earlier he told me that he was just vice-chairman in 1956, but he was assured as vice-chairman—he must have been fairly certain—that the previous chairman discussed it with the minister and he said:

Mr. ARCHER: The other chairman discussed it with the previous minister I am sure.

Mr. HORNER (*Acadia*): He did?

Mr. ARCHER: Yes; and when Mr. Beaudet made recommendations we had to make changes in the tariff. I think we were talking of books of tickets at that time and we had to change them to tokens. We made some revisions in the tolls.

So Mr. Archer felt as vice-chairman in 1956 that the chairman had then discussed it with the minister.

Mr. MARLER: I never, for a moment, denied the fact that Mr. Roberts discussed the question of tariffs with me. All I am saying to the committee is that in the fall of 1956 no agreement had been reached between the two agencies as to having a common tariff.

I was not asked to submit the new tariff agreed on by the Canadian National Railways, or the new tariffs agreed on by the National Harbours Board while I was Minister of Transport. In fact, my recollection of the matter is that the agreed tariffs were only finally approved in February of 1959.

Mr. HORNER (*Acadia*): That is true; that is in the evidence; February 1959 was when the final approval was made after they had received approval from the Quebec government. And it was in May of 1958 that the present minister okayed the tariffs and they went to the Quebec government for approval. That was given in the fall. But there is nothing here about their having a common tariff in 1956. I was trying to determine why it took from 1956 to 1958 to get ministerial approval.

Mr. MARLER: As far as I am concerned I am quite sure that the agencies did not reach an agreement to have a common tariff while I was minister, because if they had, it would have been my duty, I think, to approach the Quebec government in order to obtain its approval of it—of the tariff for the Jacques Cartier bridge; and that I was never asked to do.

And I think also that if that approval had been reached and both sides were in agreement with the Canadian National Railway tariff which did not require the approval of the provincial government it would have been submitted to council while I was still minister; but it was not.

Mr. HORNER (*Acadia*): When was it approved? When was this Canadian National Railways tariff approved?

Mr. MARLER: In February 1959, at the same time as the National Harbours Board tariff.

Mr. HORNER (*Acadia*): Mr. Henderson stated that their tariff was okayed ahead of the Jacques Cartier bridge tariff, and that it went into effect; and he explained that they were at one time collecting two sets of tokens, one approved under their authority, and the other still the token for the Jacques Cartier bridge, before the automatic tolls went into effect on the Jacques Cartier bridge.

Mr. MARLER: Mr. Horner, if you will look at the *Canada Gazette*, part II, for March 11, 1959, you will see at page 170 an order in council passed on the 26th of February, 1959 approving the new tariff for the Victoria bridge, and replacing that approved on August 29, 1956. So that there was no other tariff in the meanwhile. But as far as the National Harbours Board tariff is concerned, you will find that on the following page, that is page 172, that that tariff was approved by order in council on February 26, 1959.

Mr. HORNER (*Acadia*): Well, it seems odd—the automatic tolls on the Victoria bridge went into effect on May 10, 1958 and it seems odd that their tariff was not approved until 1959, does it not?

Mr. MARLER: Well, Mr. Horner, I do not think it is for me to express an opinion about what my successor has done. I think surely I should be exempt from doing that.

Mr. HORNER (*Acadia*): I know, but the whole statement goes back to the question as to whether or not agreement was reached on tariffs in 1956, as Mr. Beaudet said on page 643.

Mr. MARLER: Well, Mr. Horner, I still do not think I came here to explain Mr. Beaudet's testimony. I can only repeat that while I was Minister of Transport I do not think any agreement between the two agencies was reached. I think if an agreement had been reached, the Canadian National Railways tariffs would have been approved and the other would have been approved as soon as the Quebec government had given its approval.

Mr. HORNER (*Acadia*): I will leave the question of the tariff—there seems to be a lag of two years which has not been explained—and go on to the question of employment. Is it considered a policy decision when additional help is to be obtained by the National Harbours Board—additional administrative help, I might add,—is this considered important enough to warrant going to the minister?

Mr. MARLER: It was not considered so in my time.

Mr. HORNER (*Acadia*): At that time it was not?

Mr. MARLER: No, it was not.

Mr. HORNER (*Acadia*): In other words, the National Harbours Board did not have to come to you to consult with you whether or not they could hire a new superintendent or give you any reason for hiring a new superintendent in 1956?

Mr. MARLER: I think, Mr. Horner, under the statute that governs the National Harbours Board they are completely autonomous when it comes to hiring and firing employees. I do not think the minister has anything to do with that.

Mr. HORNER (*Acadia*): Even if the employees are to be of an administrative nature?

Mr. MARLER: I do not think there is any distinction made by the act between one kind of employee and any other kind.

Mr. HORNER (*Acadia*): In other words, Mr. Roberts never came to you to discuss the possibility of hiring a new administrator—and I am thinking of Mr. Clement who was hired in 1956 and whose main job was of an administrative nature?

Mr. MARLER: I had never heard of Mr. Clement until I read the evidence before this committee.

Mr. HORNER (*Acadia*): Is that a fact? It seems to me as, you might say, a lad from the pasture that there was not a great amount of administrative control in this operation. Apparently nobody is responsible for anything when you come right down to it. You cannot find out why or what was going on.

Mr. MARLER: Am I expected to express an opinion on that, or is that a statement, Mr. Horner?

Mr. HORNER (*Acadia*): I have another question. It does not matter, I just thought as a young lad from the pasture—

Mr. MARLER: I think if you read the statute you will see that parliament has placed the responsibility fairly and squarely on the National Harbours Board, and not on the minister.

Mr. HORNER (*Acadia*): Yes, but when the people have to pay the shot, shall we say, for the hiring of persons, I would imagine on increased staff the minister would be consulted as to whether it was necessary. On the top of page 643 Mr. Clement says:

Now, in 1957, early in January or February, by studying and analyzing the financial reports—the monthly financial statements—I saw that the revenues from tolls were lower than the same figures for 1956.

So I started to think what could have been happening at the bridge.

Was this brought to your attention at this time or did they keep this strictly within themselves?

Mr. MARLER: Mr. Horner, my recollection is that I received each month from the National Harbours Board a very large, comprehensive financial statement which, I may say, I did not analyze because I believed that to be the function of the members of the board. I had a good many other duties to look after, and it would be quite impossible for me to compare the statement, let us say, for February, 1957 with that of February, 1955. I do not think that was my function, quite frankly.

Mr. HORNER (*Acadia*): These figures never came into the budget when the budget of the National Harbours Board was submitted to you? They never came to your notice or it was never drawn to your attention at that time that this figure just did not appear right as it did to Mr. Clement?

Mr. MARLER: Mr. Horner, I think you have got to make a distinction between the figures which Mr. Clement would have, which I take it would cover the gross revenues from the bridge, the number of trucks, the number of passengers, the number of automobiles—and I never saw those figures at any time. The only time I had an opportunity of seeing that kind of figure was in the annual reports of the National Harbours Board, and you have seen these reports yourself—just like, I suppose, other members of the committee.

The CHAIRMAN: Any other questions, Mr. Horner?

Mr. HORNER (*Acadia*): I had another, but it has slipped my mind for the moment. I will pass for now.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Chairman, I just was not too clear on this tariff item. I was wondering, Mr. Marler, if you had read the evidence which was given by Mr. Roberts when he was here?

Mr. MARLER: Yes, I have read it, but I would make a distinction between reading it and studying it. I have read it but not studied it.

Mr. BROWNE (*Vancouver-Kingsway*): His statement at page 961 would seem to bear out both what Mr. Beaudet had testified to and what Mr. Archer had testified to, namely, that the tariff, as far as he was concerned was ready to be instituted in 1956. I will just read from the evidence here at page 961. There is quite a long part and I will just try and pick out some of the relevant portions.

Mr. MARLER: I have read that paragraph, Mr. Browne.

Mr. BROWNE (*Vancouver-Kingsway*): I said to Mr. Roberts:

I understand the board had the tariff revised and drawn up to your own satisfaction?

This was in 1956 we had been dealing with, and I went on to say:

.....and then forwarded it on to the governor in council for approval in the spring of 1956?

And Mr. Roberts said:

I did not say it was forwarded to the governor in council for approval. I said I discussed the matter with Mr. Marler, who informed

me that there would be a delay in effecting an amendment to the Jacques Cartier bridge toll tariff.

And he went on to say on the next page under further questioning when I asked him why the tariff was not proceeded with, that it was a matter of policy.

Mr. MARLER: I read that evidence too, Mr. Browne, and I do not change what I said a moment ago, that there was no agreement between the two agencies, while I was minister, as to a tariff. Mr. Roberts and I did discuss the tariff together, I do not know on how many occasions, but I had told him I thought it would be a long time before the approval of Quebec could be obtained; because perhaps as some of the members know, I was in the Quebec legislature for, I think, 12 or 13 years. I knew the Prime Minister. I had had other experiences with the Prime Minister both personally and when I was in municipal life, and I found that it was extraordinarily difficult to get matters of this sort approved by the government. My experience was not only that as a member of the municipal government of Montreal but also a member of the legislative assembly in Quebec, and professionally. I practised law in Quebec for quite a long time and whenever we had to get things through with the government, if one did not happen to belong to the government party, it took a very, very long time for things to go through.

Mr. BROWNE (*Vancouver-Kingsway*): Had it been called to your attention that there was some urgency about getting this tariff through, because the harbours board felt at that time there were some irregularities in the toll collections?

Mr. MARLER: There was no suggestion of that sort at all, Mr. Browne. In fact, what was important was that the new tariff should be in effect when the automatic system was installed on the south end approaches to the bridge, which I think must have been—I do not know, this was after I had ceased to be minister—but I do not think they were ready until some time either late in 1958 or early in 1959. I do not know the exact date, I am guessing.

Mr. BROWNE (*Vancouver-Kingsway*): But I take it you approved of the purchase of the automatic toll equipment?

Mr. MARLER: Well, Mr. Browne, even on that I do not think it would be quite correct to say I approved it in the ministerial sense. Mr. Roberts and I discussed it and I warmly commended this initiative on the part of the board. I think the actual approval would probably have been given by my successor, when a formal document was presented by the board to him for transmission to the council. As far as I was concerned, after I talked about it in the more general sense, I think I could say that I approved it, I think probably some time in the summer of 1956.

Mr. BROWNE (*Vancouver-Kingsway*): How did it come to your attention then? Were you given any reasons why they wanted to instal automatic equipment there? There was quite an expenditure of money in equipment and I assume as minister you would want to know what was intended to be done by installing automatic equipment?

Mr. MARLER: As a matter of fact, I have a good deal of difficulty in recalling my conversation with Mr. Roberts, because after all a good deal of time has gone by since then. My understanding of it was that this was intended to facilitate the collection of tolls and speed it up. This was the great preoccupation with the bridge, to get the traffic through rather than to find just merely another way of collecting tolls. I think it was generally believed that these machines speeded up the movement of the cars through the traffic gates.

Mr. BROWNE (*Vancouver-Kingsway*): Did anybody at any time in the harbours board suggest to you that this was being done to make it a more efficient operation and there was the possibility of irregularities going on?

Mr. MARLER: Let us distinguish between inefficiency and irregularities. I said this morning that there was no suggestion made at any time while I was minister by Mr. Roberts or by anybody else that there was anything wrong in connection with the collection of tolls on the bridge. Regarding efficiency, I think I have already dealt with that.

Mr. BROWNE (*Vancouver-Kingsway*): You are aware now from reading the evidence that the board certainly at this time had a very strong feeling that the bridge was not operating in an efficient manner from the point of view of safeguarding the revenues?

Mr. MARLER: I do not know that I would say it was a conclusion I would come to, Mr. Browne, because the question comes up as to the time and quite frankly I have not analyzed the evidence in order to draw an inference personally when the board came to the conclusion that something was wrong with the collections. I would suspect—and this is only an opinion, of course—that it must have been when the Canadian National Railways made their investigation in, I think, March of 1957. That was just about the end of my regime as Minister of Transport.

The CHAIRMAN: Mr. Browne, you mentioned “purchased”. I believe those machines are on a rental basis?

Mr. BROWNE (*Vancouver-Kingsway*): I believe some of them are purchased.

The CHAIRMAN: Most of them are leased.

Mr. BROWNE (*Vancouver-Kingsway*): Then, on the automatic equipment on the Victoria bridge, did that come to your attention, in particular; did you approve of that?

Mr. MARLER: I think, Mr. Browne, Mr. Gordon and I might have discussed it in a perfectly casual way in the sense that Mr. Gordon probably told me the railway company were proposing to install these automatic machines on the Victoria bridge. Mr. Gordon would not have to ask my approval, because regardless of the expenditure involved and whether rental or purchase, the Canadian National Railway would do this on their own authority with no ministerial intervention at all.

Mr. BROWNE (*Vancouver-Kingsway*): I think you mentioned when reading from the *Canada Gazette* that there had been a new tariff structure put into effect on the Victoria bridge in 1956?

Mr. MARLER: Yes, I did. I said that this morning. I said that I thought I had made a mistake in instituting revised tariffs in the summer of 1956.

Something perhaps that the members of the committee ought to appreciate is that the Minister of Transport, like a great many other ministers, has a great many recommendations to sign, recommendations to council. He may read them through as best he can, but you might have eight or ten or fifteen that have to be rushed off and I rather imagine that this problem of the Victoria bridge tariff in the summer of 1956 was done by mistake. I know always that I retained the very definite impression that this was not what had to be done, that they were both to be done at the same time or at least an agreement was to be reached; and I know no agreement had been reached at that time.

Mr. BROWNE (*Vancouver-Kingsway*): Well, of course, the way that naturally comes to mind is that if the toll structure for the Jacques Cartier bridge was ready and available in 1956—

Mr. MARLER: But it was not. I repeat if it had been ready, it would have been submitted. I know that to be a fact because Mr. Roberts would not have told me, as he did in October, 1956, that they would get on with the question of the tariffs, tokens and automatic machines later on in that year.

Mr. BROWNE (*Vancouver-Kingsway*): But I understood you to say that it was not ready to the extent that there had been an identical tariff worked out for both bridges. However, there was evidently a tariff available for the Victoria bridge which you submitted to the governor in council and got approval of sorts on. There was also a tariff, whether identical or not, on the Victoria bridge, one which had been approved by the National Harbours Board and which apparently had been drawn to your attention. I do not know even if they were identical, and they should be identical before they were approved. I cannot see why the Victoria bridge one would go on and the Jacques Cartier one would not.

Mr. MARLER: Well, I thought I had explained that, Mr. Browne, that my action in recommending it in the summer of 1956, I think, was a mistake. When I say a mistake I do not mean there was any good or bad consequence of it. But it was not my intention to approve one or the other before the two agencies were in agreement as to the provisions of the two tariffs, where a comparison could be made.

Mr. BROWNE (*Vancouver-Kingsway*): But if the one had been approved then what was the reason why the other one was not proceeded with?

Mr. MARLER: Mr. Browne, I do not want to seem impatient, but I told you that no agreement between the two agencies was reached while I was Minister of Transport. I suggest to you, Mr. Browne, that if there had been—

Mr. BROWNE (*Vancouver-Kingsway*): But surely—

Mr. MARLER: Just let me finish. If there had been an agreement, why was it they were only approved by the present government in February 1959? That was nearly two years after I had ceased to be Minister of Transport.

Mr. BROWNE (*Vancouver-Kingsway*): But my understanding is that the automatic toll equipment could not be proceeded with until something was done with the tariff. It seems to me that while it is important to have the two tariffs the same, the fact that one had been approved for operating the Victoria bridge and the tolls for the Jacques Cartier bridge could not be approved and you were anticipating that there was going to be a delay getting that approval, it seems to me that would be the logical toll equipment could be put in. That apparently was what was holding up the installation of the automatic toll equipment.

Mr. MARLER: I think what was holding up the installation of the automatic equipment on the Jacques Cartier bridge was the construction of the new approaches from the south end of the bridge. I do not know if you know the bridge, but at the time we are talking about, 1955, 1956, 1957—somewhere around there—tolls were collected at both ends, which was most unsatisfactory. The space available was most inadequate and my understanding always has been that the installation of the new machines was to fit in with the opening of the very expensive approaches in place at the south end of the bridge where all tolls were to be collected.

The CHAIRMAN: Any other questions, Mr. Browne?

Mr. BROWNE (*Vancouver-Kingsway*): No.

Mr. BALDWIN: Mr. Marler, I think probably you have covered a lot of the points I was interested in, as a result of your answers to Mr. Browne. But as I understood the proceeding, as it was outlined by Mr. Finlay during the course of these proceedings, the question of the obtaining of the automatic

toll machinery was solely the responsibility of the federal government under the control of the National Harbours Board?

Mr. MARLER: I do not think I would altogether subscribe to that, Mr. Baldwin. I think that purchases that do not go beyond, I think, \$5,000—I do not remember the act exactly, but I think that purchases up to, let us say, \$5,000 could be made by the board without reference to the minister at all. On the other hand, if they undertook to lease equipment, inasmuch as it was a continuing obligation, I believe that it should have the approval of the governor in council and, consequently, would have to be approved by the minister.

Mr. BALDWIN: That is what I had in mind, actually, because in fact what did take place with regard to this automatic toll machinery was a matter of leasing the machinery.

Mr. MARLER: So I understand, yes.

Mr. BALDWIN: And consequently when Mr. Finlay intimated to me that that would be a sole responsibility of the federal government and a matter in which the provincial government was not concerned he would be correct?

Mr. MARLER: I do not think the provincial government had anything to do with this at all. When you talk about the federal government, I take it what you are talking about is the approval of the board's action by the governor in council?

Mr. BALDWIN: Yes, I was using the term "federal government" quite loosely there. I understand for that reason that the chronological order of the steps that would have to be taken would be that (a) the National Harbours Board would have to come to the minister and through him, of course, to council to obtain approval of their purchases or their leases, rather, of this toll machinery. Consequently that would be the first step that would have to be undertaken?

Mr. MARLER: Mr. Baldwin, I think there is a difference between the theory and practice.

Mr. BALDWIN: I thought that, too.

Mr. MARLER: As a matter of fact, I think one has to live with these things to appreciate that there are these differences. I think that Mr. Roberts would have probably inferred from his conversations with me in 1956 regarding the prospective arrangements for the automatic equipment, that if, as and when the recommendation to council would have to be made in order to get the approval, because of the need under the statute for it, to make the contract a binding one, I would not say that I did not like the idea and I would not sign his recommendation. I take it that he assumed from our discussions that I was perfectly willing to put forward the recommendation when the appropriate time came. I am sure that he thought the recommendation, having been so put forward by the board and the minister, that it would be more or less a routine matter to have the recommendation accepted.

Mr. BALDWIN: And that the next step would be that you would have to—in the same way as you have described would have to, say, approve a tariff before it would be submitted to the provincial government to obtain the approval of the lieutenant governor in council of the province of Quebec, and that that would be a condition precedent to supplying that tariff for consideration to the lieutenant governor in council of Quebec?

Mr. MARLER: I think, Mr. Baldwin, the first thing that would have to be done would be that the board would have to decide on the tariff. I do not think anybody would suggest that the minister would believe that his judgment as to the details of the tariff would be superior to that of the members

of the board who had studied it and who had much more time to study it, and who had also the responsibility of doing so. But at such time the board, having reached a decision on the tariff, would then say to the minister: "now what do you think about this?" The minister having approved, I would think personally—and I do not want this to be regarded as a criticism of my successor by any means—I would think it was a duty of the minister to submit it to the provincial government. I do not really suppose that this is something that ought to be done by a member of the board. I think if I were in the position of the Prime Minister of Quebec, I would expect the responsible minister in Ottawa to make the application to my own government. I think it should be dealt with at the ministerial level, not the official level.

Mr. BALDWIN: The point I was trying to get from these two questions would be that the initiative of this whole process of changeover must come from the harbours board with the approval of the minister?

Mr. MARLER: Mr. Baldwin, I think it must be initiated by the board. I think it is reasonable to say that you must expect that the minister is going to approve or disapprove at some stage before the thing goes too far.

Mr. BALDWIN: I am taking that as eventual, although what did happen in 1958 according to the statement which was made to us by Mr. Archer, was that Mr. Archer went to the present minister in April, 1958, recommended its approval and within three weeks he received the authorization to proceed.

Mr. MARLER: I think the authorization to proceed would not involve any very long delay. I think what would occasion the long delay would be obtaining the approval of the lieutenant governor in council.

Mr. BALDWIN: I will come to that later. I mean the initiation of this step apparently was a matter of two or three weeks from the time the then chairman of the harbours board went to the present minister and in two or three weeks secured his authority, his approval to carry on with the matter. That is when this process of changing over first commenced.

Now, I was going to relate that back to the question I asked you and in doing so I want to refer you again to this minute of the harbours board which you have referred to in October of 1956. I have it here. Towards the bottom part of the minute it says:

The port manager strongly recommends installation of this equipment.

And then, I am going on to the third line after that:

As soon as the revised Jacques Cartier bridge tariff has been approved.

Now, I take it from that that there had been almost virtually completed a revision of the Jacques Cartier bridge tariff at the time these were submitted.

Mr. MARLER: Yes, I think, Mr. Baldwin, that possibly the Canadian National Railways and the National Harbours Board had ideas as to what the tariff should be, but my difficulty was to get the two agencies together and to get on with establishing the tariff that was identical for the same service. I can assure you that I did not refuse to approve the tariff of the Canadian National Railways following discussions with the National Harbours Board, because it was not submitted to me. I do suggest too—and perhaps this is repetition on my part—but I suggest that if the tariff had in fact got to the point which some members of the committee seem to believe it had, again I just ask the question why did it take nearly two years after I had left office before these two tariffs were given approval by the governor in council?

Mr. BALDWIN: Of course, we are reversing the process. In answering that question, I would take it that the then harbours board were apparently of

the opinion that they had not secured the requested permission from the new Minister of Transport to proceed.

Mr. MARLER: Well, Mr. Baldwin, I have a good deal of difficulty in speaking for myself for the time I was there, but I certainly shall not attempt to speak for my successor.

Mr. BALDWIN: Well, of course, I have reference only to the time when you were minister.

Mr. MARLER: Yes, I am sorry that I cannot be more specific, but I want to assure the committee that when this minute was passed, after this minute was passed by the board in Montreal, Mr. Roberts told me that he was off then to the maritimes and when he returned he would discuss with me the question of the tariff, the tokens and the automatic machines. I think if I had approved these tariffs, both the Canadian National Railways and the National Harbours Board, at least the Canadian National Railways tariff would have been approved by the governor in council before I ceased to be Minister of Transport.

Mr. BALDWIN: Well, we will leave that for this time.

Mr. MARLER: I wish I could be more helpful but, unfortunately, as you wanted me to tell you the truth, I cannot invent an answer that would seem to be more satisfactory.

Mr. BALDWIN: I understand perfectly. Now, have you any recollection as to the details of your conversation with Mr. Roberts? The reason I ask that is this, that I had asked Mr. Beaudet as to the time when he first gathered that there might be some irregularities in connection with the bridge operation, that is, the toll collection aspect of it. He had said that he had had that suspicion for some time but, only when he became port manager in 1954 did he feel it was his duty to do something actively about it. Then he went on to say that he conveyed those suspicions to the harbours board as part of his reasons for strongly recommending that there be a change in the method of collecting the tolls. I did then ask Mr. Archer about the discussion with you and, of course, he said that he had no discussion with you.

Mr. MARLER: That is quite right.

Mr. BALDWIN: That the discussion was between you and Mr. Roberts? Now, during the course of your discussions with Mr. Roberts, did he convey to you any idea that there might have been irregularities in connection with the toll collections on the bridge?

Mr. MARLER: Mr. Baldwin, I covered that point this morning and I said Mr. Roberts had never said anything to me that gave me any reason whatever to believe that anything irregular in connection with the bridge was being carried on.

Mr. BALDWIN: I understood that. I just wanted to recall to your attention, to refresh your memory, following this course of events.

Mr. MARLER: I am perfectly clear on that, because if anything had developed I know the board would have taken action, and I would have expected them to do so. If I might just give you an idea of the extent of the relations between the minister and the National Harbours Board, when I was asked if I would appear before the committee today my secretary telephoned to the archives and asked if they would mind picking up my files in connection with the National Harbours Board. They said they had about a hundred files, but they would send them along. The following day a truck arrived at my office. It was a large panel body truck and the man said, "Do you mean I have got to carry all these things upstairs?" And I said, "Let us see what you have got." I went down and there was a panel truck literally filled with cartons or files and I could not actually believe it. I am sure they would have covered the whole length of this table on both sides.

This gives you an idea of the extent of the correspondence and interviews that go on continually between the Minister of Transport and the National Harbours Board—not obviously just about the bridge because the activities of the board go far beyond that. But that will give you an idea of the multiplicity of things that are constantly under discussion between the minister and the chairman of the National Harbours Board. This perhaps explains in some degree why it is that I and perhaps my successor and my predecessor do not remember the details of everything that happened over the period we were in office.

Mr. BALDWIN: I would like to end up with a few questions, Mr. Marler. I take it from what you said this morning, in answer to Mr. Fisher and I think later on to Mr. Horner, that you cannot conceive of anything which you might have done during the course of time that you held office which could in any way have prevented what possibly appear to be certain irregularities in connection with the toll collections on this bridge?

Mr. MARLER: I think, Mr. Baldwin, that it is much easier, in theory, to present these things, than in actual practice. I think the human element is one of the most difficult things to control, in operations where money is involved, and where it isn't just a matter of accountability. It is complicated by the fact that you have a great many people wanting to get somewhere in a hurry, and, I must admit, I have a lot of sympathy for the toll collector, who is told: I do not want your tickets, and so on, and who is treated badly, by and large, by the public—particularly in the rush hours. I know, in retrospect, one can always be wiser. I think the automatic system justified the decision, that I feel I participated in, to replace something that was manual and human by something that was automatic.

Mr. BALDWIN: I take it that you have examined and read some of the proceedings of this committee?

Mr. MARLER: I have read all the evidence, but I have not studied it.

Mr. BALDWIN: Here is a question which you might not like to answer. Having read the proceedings, do you now feel there may well have been irregularities arising from the human element, which you mentioned, in connection with the operation of the bridge.

Mr. MARLER: I do not think I have anything more to go on than the committee itself has; and I do not think I should be asked to substitute my judgment for that which the committee, itself, I suppose, will render, after hearing and scrutinizing, and studying all the evidence. I did not do that. I did not feel that was my responsibility—and, besides, I have been in public life long enough to know that members of the committee like to decide these things for themselves.

Mr. BALDWIN: I have one more question. In the light of having read these proceedings, do you now think there is anything which you might have done, which was not done during the course of time you held office, which might have prevented these apparent irregularities?

Mr. MARLER: I think that is the same question all over again.

The CHAIRMAN: You are next, Mr. Drysdale.

Mr. DRYSDALE: Mr. Marler, this may appear repetitious to you, but could you assist on one of the, shall we say factual difficulties, because I felt yourself and some of the members were not *ad idem* on the facts—that is, on the question of agreement between the Canadian National Railways and the National Harbours Board, as to a tariff in 1956. You said there had been no agreement in 1956.

Mr. MARLER: Not so far as I know.

Mr. DRYSDALE: What do you mean by “agreement”?

Mr. MARLER: What I mean is they had not come to an understanding that their two tariffs would be identical, where the services were the same. Perhaps, if I might add a word to that. The Victoria bridge is not capable of accommodating as large trucks as the Jacques Cartier bridge and, consequently, there are parts of the tariff for Jacques Cartier bridge which do not apply to the Victoria bridge. However, it was my belief, and I think it is really just plain common sense, that when you have two facilities extending across the St. Lawrence river, going from the same place to the same place, generally speaking, that you should have identical charges for the services rendered. And, in retrospect, I cannot understand why there appears to have been so much delay in reaching an agreement between the two. But, I am telling you what the facts are, and not what I think they might have been.

Mr. DRYSDALE: The reason I asked that question was because of the statement made by Mr. Henderson during the proceedings. I was endeavouring to find out as to what agreement had been reached between the Canadian National Railways and the National Harbours Board, and at page 998, Mr. Henderson stated—I had been questioning Mr. Cote and Mr. Henderson, and he wanted to give some information. Mr. Henderson stated:

I have the letter here from the National Harbours Board dated January 12, 1956. I wrote the National Harbours Board on January 10, 1956, and enclosed two copies of our proposed tolls. I received acknowledgement from the harbour board and a copy of their proposed new tolls. We had to discuss this between ourselves. We did, and as of January 10, 1956, we had reached agreement.

Mr. MARLER: Yes, I wonder if I might just quote—

Mr. DRYSDALE: First, Mr. Marler, could you make a comment on that statement?

Mr. MARLER: Well, I find it difficult to comment on it, because I have never met Mr. Henderson. I had nothing to do whatever with the actual discussions of the tariff between the two agencies.

Mr. DRYSDALE: To give you some background, this was an exchange between Mr. Beaudet, who was the port manager, and Mr. Henderson, the director of transportation—and it was, apparently, at this particular point Mr. Henderson's understanding that they had reached an agreement. I was trying to find out as to whether you had a different idea as to the word "agreement".

Mr. MARLER: I think the C.N.R. people thought they had reached an agreement with the National Harbours Board, but I do not think the National Harbours Board people thought they had reached an agreement with the C.N.R. people.

I wonder if I might supplement that, by saying this. After this meeting in October, between the board and Mr. Beaudet, in Montreal, Mr. Roberts sent me a memorandum in which he said this:

Order in council P.C. 1956-1319 of 29th August, 1956, established a revised tariff of tolls on the Victoria Jubilee bridge. As you know, this revised tariff was supposed to incorporate changes in line with recommendations which we would make to you for similar revision of the Jacques Cartier bridge tolls, and both tariffs should have been revised simultaneously. I understand from Mr. Collins that it has been arranged that the revised Victoria bridge tariff will not be applied pending action on our tariff.

You wished to be reminded of this situation in case it would appear advisable to rescind P.C. 1956-1319 in the event that the Jacques Cartier bridge revision is to be delayed for some months.

On our return from the maritimes I shall send you a memorandum submitting various alternatives and our views concerning the Jacques Cartier bridge tariff and improved collection methods.

It seems to me that makes the situation perfectly clear.

Mr. DRYSDALE: Well, with reference to the Victoria bridge, the agreement was signed for the installation of the automatic machines on March 28, 1957. Would that not, in your opinion, indicate there had been a substantial agreement between the Jacques Cartier bridge authorities and the Victoria bridge authorities, because it was intended the tokens were to be interchangeable and, in fact, Mr. Henderson stated at page 996:

The token design was approved by the National Harbours Board on May 10, 1957.

Mr. MARLER: I think that is quite a reasonable inference to draw. I merely want to repeat—I had not been asked to deal with either of those tariffs while I was Minister of Transport.

Mr. DRYSDALE: As far as you were concerned, there was probably an agreement between the C.N.R. and the National Harbours Board, but that agreement had not been communicated to you.

Mr. MARLER: Yes, I think that was probably the situation.

There is one thing I would like to add. I would imagine, particularly from the subsequent contract, that neither of them felt that the approval of the governor in council had any great significance; in other words, that they could go ahead and make their arrangements to acquire the automatic machines and, in due course, the governmental approval of the tariffs could be taken for granted.

Mr. DRYSDALE: I think the ordering of the C.N.R. machines would indicate a fairly substantial agreement between the parties, and it was just a question of time and getting the order in council approved.

Mr. MARLER: I think this is an inference, but I do not think it is the only inference that can be drawn.

Mr. DRYSDALE: When this committee was set up in 1955 between the C.N.R. and the National Harbours Board, was there any discussion at that time of any of the difficulties, of any of the irregularities?

Mr. MARLER: Mr. Drysdale, I want to clear up what I think is a misapprehension which you create by your question. This committee was not set up by the National Harbours Board or the C.N.R.; it was set up by me because the city of Montreal was interested, not in the actual operations of the Victoria bridge, or the actual operations of the Jacques Cartier bridge, but in the whole bridge problem of the city of Montreal.

Mr. DRYSDALE: Yes, I realize that. But one of the matters that subsequently arose out of the discussion was the question of these automatic toll collections, and I believe you did have discussions with Mr. Roberts as to the advantages of the automatic toll collection system.

Mr. MARLER: Yes, but they had nothing to do with the bridge committee. The bridge committee was only concerned with the question of where a new bridge could be placed, and would the federal government assume the responsibility for building it.

Mr. DRYSDALE: Yes, but there was a meeting subsequent to that, in 1956, where the National Harbours Board put out their recommendation for the automatic toll machines?

Mr. MARLER: That had nothing to do with the bridge committee, Mr. Drysdale.

Mr. DRYSDALE: Nothing to do with that at all?

Mr. MARLER: No. I do not remember the date of the meeting, but I think the minutes appear in one of the earlier numbers of the evidence before the committee. That was the only meeting I attended of that committee, and it was the last meeting that the committee held.

Mr. DRYSDALE: So the other meeting of the National Harbours Board did not have anything to do with it at all?

Mr. MARLER: No, it was quite independent of the general purpose of the bridge committee.

Mr. DRYSDALE: I wonder if I could just read you one quotation, for your comments, Mr. Marler. Mr. Roberts, at page 952, in answer to a question from me, said:

Mr. ROBERTS: I can only speak from my own knowledge.

Mr. DRYSDALE: I am just asking as to your own knowledge.

Mr. ROBERTS: Yes, I am speaking of my own knowledge—and in 1956, when Mr. Marler was the Minister of Transport, I discussed with him the question of the installation of an automatic toll collection system, and the amendment of the tariff to simplify it so that it could be adapted to mechanical collection matters, not on the basis that we had anything serious on our hands, but on the basis, first of all, that it probably would be more economical and, secondly, it would remove opportunities from any person who might have been tempted—and, thirdly, it would, we thought, facilitate the collection of the revenue and free cars to move across the bridge.

We had those three considerations in mind. I think the evidence will show that the board approved, on the recommendation of Mr. Beaudet, who was very active in these matters. As soon as we could, we approved of a tariff—and I might say we worked many days over it—that would meet the situation, and approved, in principle, of the installation of the equipment, as soon as it was reasonably possible to install it, having regard to the work which was taking place on the bridge and the construction of the approaches on the south end.

Mr. Roberts said that there were those discussions, and he gave three basic reasons. The second one was that it would remove opportunities from any person who might have been tempted.

During the course of these discussions, did he mention any of the previous investigations, or the previous irregularities?

Mr. MARLER: No. Drysdale, I had never heard of the C.N.R. investigations until long after I ceased to be Minister of Transport.

Mr. DRYSDALE: Were you aware of the 1957 investigation?

Mr. MARLER: No, I was not.

Mr. DRYSDALE: None of that information was ever communicated to you?

Mr. MARLER: No, it came as a complete surprise to me when I read of it for the first time.

Mr. DRYSDALE: Do you think that is the type of evidence which should have been communicated to a minister, as part of his responsibility?

Mr. MARLER: I thought Mr. Roberts set forth his views on that subject pretty clearly.

Mr. DRYSDALE: Yes; I was asking for your views.

Mr. MARLER: Mr. Drysdale, my view is that the Minister of Transport cannot possibly substitute himself for the authorities who have been set up by parliament to run the various agencies, because you must not think that

the National Harbours Board is the only responsibility of the Minister of Transport, or that his department is the only responsibility. You have the Canadian National Railways; you have Canadian National Steamships, Limited; you have the C.O.T.C.; the St. Lawrence Seaway, and the present minister has Trans-Canada Air Lines.

I have thought about this a great deal since the beginning of the committee's sittings, and I just do not see how the Minister of Transport could be expected to sit down with the commissioners and work out a scheme, let us say, for the protection of the vast sums of revenue that are collected by these agencies I have just mentioned.

I do not think that this is the significance of the statute applying to the National Harbours Board: I think that is perfectly clear. I think one only has to read it to realize that so far as the financial side of the board's operations is concerned, this is something which concerns largely the Department of Finance and, I take it, also the Auditor General. But I would never believe that it was the responsibility of the minister to do the things which I would assume would be done by the members of the board themselves.

Mr. DRYSDALE: The point I was getting at, Mr. Marler, was that Mr. Roberts, during the questioning, struck me as rather a hard-headed businessman.

Mr. MARLER: I thought he was too.

Mr. DRYSDALE: And I do not think he would part with money too quickly, whether it was his own or anybody else's.

Mr. MARLER: I think that is a very fair assessment of Mr. Roberts' good qualities.

Mr. DRYSDALE: And during his testimony, from time to time there is—at least, to my mind, and this is my interpretation—a suspicion that something could possibly be going astray, and he said:

I once saw an article during the course of my administration having regard to toll collections on the United States bridges and the heading was "One for the company and one for me".

In view of these discussions with you, one of the reasons being that it would give opportunities for any persons who might have been tempted, I just wondered why in the course of discussions none of the people that were involved in an administrative capacity in the National Harbours Board apparently thought to draw it to the attention of either yourself or Mr. Chevrier. That is perhaps a difficulty that I have myself, but I—

Mr. MARLER: I find it difficult to see just at what point the minister should have been apprised of the substance of these investigations. I must say that I would understand it if Mr. Roberts believed something ought to have been said to follow up the March, 1957, investigation. But I do say that nothing was done. On the other hand, perhaps you will recall that this was just about the time that we were engaged in having a general election, and I think possibly Mr. Roberts felt we were very occupied with other matters at that time.

Mr. DRYSDALE: When Mr. Beaudet came in actively to the port in 1954, from that period on, according to his testimony, he seemed to have been quite concerned about the allegations as far as irregularities were concerned; and it would indicate from that memo in 1956, I think, that that was one of the reasons that had been drawn to the board's attention for adopting the automatic machinery. And I think Mr. Beaudet said in testimony that he pressed that.

Then you have, in a sense, a direct confirmation by Mr. Roberts of that situation, and yet nobody seems to have felt any need, or there was no observation, even through a casual conversation or otherwise, to apparently

communicate these difficulties with either yourself or Mr. Chevrier, although there had been a history going back from 1934, when they had these investigations, that on every investigation there had been irregularities disclosed. And in the investigation of 1952, Mr. Murphy said that he said, "I think there should be further investigation", and he made that recommendation to the board.

Then I tried to pursue that with Mr. Roberts and said, "What did you do about the investigations?", and he got extremely vague and said, "Really, I do not know anything about it. I thought Mr. Murphy had to worry about it"; and Mr. Murphy said, "I thought Mr. Roberts had to worry about it".

Mr. MARLER: That is certainly not my impression of what was given in evidence before the committee.

Mr. DRYSDALE: These investigations were made in 1952.

Mr. MARLER: I am not quarrelling with that; I am quarrelling with your interpretation of what Mr. Roberts and Mr. Murphy said before the committee.

Mr. DRYSDALE: Mr. Roberts did not even seem to accept any responsibility. He was not even sure there had been any investigations until I went through them quite pointedly. To impress your memory on the 1952 investigation, Mr. Murphy said he would prefer to obtain additional evidence in respect of the toll collectors concerned, and also broaden the investigation to cover other toll collectors. Apparently he made that recommendation to the board and the board, as I understand it, never followed it up. I tried to ascertain if they communicated it to Mr. Chevrier and apparently they did not think it was the sort of thing which should be communicated to Mr. Chevrier or yourself. Mr. Roberts apparently never thought to enquire of Mr. Murphy as to what had been done. I am fairly young and fairly naive, but it stretches my credulity.

Mr. MARLER: I am not going to attempt to talk about the period before I was minister, but so far as Mr. Roberts was concerned if he said he did not take the matter up with the port manager in Montreal it is probably merely that so many years have gone by that that is his recollection. I had the opportunity of dealing with Mr. Roberts from the end of 1954 until the end of the time I was Minister of Transport. I never had the least concern about his devotion to the public interest and the efficiency of his conduct of the financial operations of the board, or as to his determination to do everything that he ought to do as chairman of the board. I think the government is very fortunate in having had his services.

Mr. CHEVRIER: On a point of order, I do not think Mr. Drysdale wants to be unfair to Mr. Roberts or anybody else, but if he looks at page 950, at the top of the page Mr. Roberts says:

We accepted his recommendation that there was nothing disclosed that warranted any serious action as a result of that investigation.

The CHAIRMAN: Are there any further questions?

Mr. DRYSDALE: Just a minute, Mr. Chairman. With due respect to Mr. Chevrier, I found the examination of Mr. Roberts very difficult. To be fair, I do not know him. I think I had seen him once on a tour of the seaway, but I do not know him as an individual. I did, however, find it difficult to get responses as direct as the answers that we have received from Mr. Marler and yourself. I think the statement speaks for itself fairly clearly. All I had to base this on was that the port manager had made recommendations after finding a great many irregularities as a result of the C.N.R. investigation. Mr. Roberts might make that statement, but I did find great difficulty in view of the fact that Mr. Murphy recommended there should be a subsequent investigation and in a sense if it was run by the C.N.R. it perhaps should have been followed up.

I have one more question. Mr. Marler, how many operations involving toll collectors came under your jurisdiction?

Mr. MARLER: I do not know of any other. I do not remember any offhand.

Mr. DRYSDALE: Did the one out in British Columbia come under you?

Mr. MARLER: I do not think the Second Narrows bridge was then under the harbours board when I was Minister of Transport.

Mr. DRYSDALE: So it would be just the Jacques Cartier bridge and the C.N.R. bridge.

Mr. MARLER: These are two toll operations. I do not want to suggest they were under my jurisdiction, because I do not want to go that far. They were the operations carried on while I was minister.

Mr. FISHER: I was interested in your remarks about the archives. I take it you sent the records of the department during your regime to the archives?

Mr. MARLER: No. I sent my personal records to the archives. When I ceased to be minister the government kindly offered to provide accommodation for them and I sent them there.

Mr. FISHER: Could you tell us the conditions under which they are held there.

Mr. MARLER: I do not know. I have never been near the place.

Mr. FISHER: But you have access to them.

Mr. MARLER: Yes; but I think you will realize that when you are an ex-minister or an ex-member of parliament they have very little interest.

Mr. FISHER: Mr. Chevrier told us he had destroyed certain letters on his files. You did not destroy any of your files?

Mr. CHEVRIER: On a question of privilege; I think what I said in answer to a question was that I had destroyed the letters of recommendation which had come to me from members of parliament. But I took no files other than those from the Department of Transport, and they remained there.

Mr. MARLER: Mr. Fisher, when I ceased to be Minister of Transport I asked the departmental officials if they would kindly send down to the archives all of the correspondence which should not be kept by the department itself. I sent it down there, and with the exception of one or two very trivial matters which constituents have written me about I have had no occasion to go down there or get these files back from the archives. I was shocked the other day when I got this terrific bundle relating to one agency.

Mr. FISHER: I have difficulty in getting things from the files when I make a motion for papers. I am intrigued in finding out that your files are there.

Mr. MARLER: These are personal files. They would not be produced even on motion if I were a minister.

Mr. FISHER: That may explain the difficulty. Mr. Hees, in effect, has told me he waited until Mr. Duplessis was dead and as soon as Mr. Sauve took over he got in touch with him and things began to roll. That may explain the situation.

Mr. HORNER (*Acadia*): You are implying that. I do not think Mr. Hees said that.

Mr. FISHER: I cannot show it to you in the record because the record is not printed.

Mr. MARLER: I do not have any recollection of Mr. Hees having said that this morning. I do not think that the approval of the order in council early in 1959 would justify that statement.

Mr. FISHER: Mr. Hees indicated that when Mr. Sauve became premier he immediately got in touch with him on the phone in order to initiate certain matters.

Mr. MARLER: That was in regard to the arrears owing by the province.

Mr. FISHER: Did you anticipate a delay in dealing with the province of Quebec?

Mr. MARLER: I think that is putting it very mildly.

Mr. FISHER: It seems that Mr. Chevrier gave a somewhat similar indication, that a great deal of caution had to be taken and one did not expect things to break quickly. The question I want to pose is, was there no authority within the Quebec government dealing with transportation matters, other than Mr. Duplessis.

Mr. MARLER: That is one of the most ingenuous questions I have ever heard.

The CHAIRMAN: Are there any further questions?

Mr. FISHER: You say this is ingenuous; but you have to go through that particular channel in relations with the province of Quebec.

Mr. MARLER: Let me say that was a general view.

Mr. FISHER: That was certainly the basic assumption.

Mr. MARLER: It was my personal experience. I can say that.

Mr. FISHER: I want to ask you about the notes of the board meeting held at Montreal on October 24, 1956. I think this is the meeting you referred to. It says:

Action: The board approved, in principle, rental of the equipment. Port manager to submit detailed report to the board following consultation with Canadian National Railways regarding changes to the tariff and conditions respecting sale of tokens.

When did this particular recommendation come to your notice?

Mr. MARLER: I do not know if you were here when I read to the committee a memorandum which Mr. Roberts wrote to me on the following day. His memorandum to me was dated October 26, and he said in effect "When I get back from the maritimes I am going to talk to you about these matters further". We had also a discussion then, generally. I am afraid I cannot tell you what date after that I saw Mr. Robertson and discussed it further with him.

The CHAIRMAN: Any other questions, Mr. Fisher?

Mr. FISHER: No.

The CHAIRMAN: Mr. Horner?

Mr. HORNER (*Acadia*): There seems to be quite a bit of difference of opinion here as to when there was an agreement reached.

As further questions to what was asked before, in page 642, Mr. Beaudet stated there was an agreement between the two authorities on tariffs; and, on page 655, Mr. Archer confirmed this. I notice now, on page 994, that Mr. Côté says that there was an agreement made.

I could read from page 994. Mr. Drysdale asked the question:

Could you indicate in that time sequence as to when the tariff—when the agreement had been reached between yourself and the National Harbours Board?

Mr. HENDERSON: Yes.

Then Mr. Côté took over and said:

May I say that our own tariff of 1956 was approved by order-in-council of August 29, 1956.

Now, on page 997 Mr. Côté again states there was another tariff approved by order-in-council in 1957, December 6.

So it appears that these tariffs were in agreement—and I could read further, but Mr. Drysdale dealt with that to quite an extent. It seems to me there is quite a difference of opinion as to when these tariffs were reached, and when agreement was reached between the two parties. I do not know whether Mr. Marler could give me any different answer to what he has given already, dealing with the whole subject of the financial responsibility.

I assume that as a citizen of Montreal and as minister in charge—I understand your constituency was in Montreal.

Mr. MARLER: It still is.

Mr. HORNER (*Acadia*): But as a citizen of Montreal and the minister in charge, did it not, at any time, alarm you that the tolls were not paying off the charge against the bridge towards construction?

Mr. MARLER: Well, Mr. Horner, I think everybody expected, when the bridge was built, away back in 1928, it would be paid for much more rapidly; but it was not, in fact.

When I was a member of the municipal council, between 1940 and 1947, we used to have to vote for \$150,000 to be paid yearly towards the deficit on the bridge. I think really that the fact of the war, the fact of the difficulty of getting vehicles, the fact that the south shore had not developed particularly, were all reasons why this payment was taking longer than was originally expected.

As a citizen of Montreal I think I would have been happier if we did not have to pay the \$150,000 a year, when I was there. Beyond that disappointment, I do not think there was any particular cause for it.

Mr. HORNER (*Acadia*): On taking over as minister in 1955—

Mr. MARLER: In 1954.

Mr. HORNER (*Acadia*): —in 1954, as a citizen of Montreal and a member from that part of the Dominion of Canada, you realized these tolls were not paying off the structure of the bridge, did you not?

Mr. MARLER: No, I do not think you should put that into my mind; and I do not think that would be justified by the reports of the National Harbours Board.

My recollection of it is that from 1954, on, if not earlier than that, the bridge was starting to show a fairly substantial surplus on revenue.

Mr. HORNER (*Acadia*): True, from about that time on—

Mr. MARLER: I think it was earlier than that.

Mr. HORNER (*Acadia*): I think it was in 1951, myself.

Mr. MARLER: I do not remember, and I do not know it is particularly material.

Mr. HORNER (*Acadia*): When you became minister you did not think this, as a situation, perhaps, right in your own bailiwick, needed any further looking into, as an amount owing against the bridge, as to when it would be paid off?

Mr. MARLER: I still do not see just what I could have done that would have changed that situation.

Mr. HORNER (*Acadia*): I could tell you what you could have done, but I will not bother.

To go a little further, though: At this time, I am under the impression that the citizens of Montreal were requesting that the whole toll system be thrown out, and that the bridge be made toll free.

Mr. MARLER: I think that is a point of view that has been expressed very frequently. I think it is an understandable view, but I do not think it is a good

long-term view. The reason I say this is that if you take the tolls off the Jacques Cartier bridge—and the Victoria bridge, which you would also have to do—then you would not see any more facilities built across the river in Montreal. Do you imagine any authority would build a toll bridge after that, with two bridges on which there were no tolls? If we had abolished tolls—

Mr. HORNER (*Acadia*): I am not going to deal with that.

Mr. MARLER: Let me finish. Mr. Horner has asked a question and, surely, I should be allowed to answer?

Mr. HORNER (*Acadia*): I think you are getting away from the answer.

Mr. MARLER: Perhaps I can answer the question, and then the reply will decide whether I am getting away from it.

If we had abolished tolls on the Jacques Cartier bridge and the Victoria bridge, I do not think we would have seen any new bridges built in the Montreal district in my lifetime.

It was because I believed it was a good thing these facilities should be paid for by those who used them, and because I believed the existence of toll facilities would lead to the building of other ones, that I was in favour of maintaining them, despite the fact that most people thought they should be abolished. I would suggest the decision of the government to build another toll bridge justifies the action I took. I suggest that they would never have built another bridge, and that nobody would have built another toll bridge, if they had not the toll bridges in Montreal.

Mr. HORNER (*Acadia*): As you were taking over the ministership in 1954, you had heard different arguments raised as to why the tolls should be removed—more than likely, and I am assuming this. As a citizen of Montreal, representing a constituency in Montreal, you did not take it upon yourself to take any particular interest in the toll collections there, as to whether or not the bridge was being paid for, as to whether or not the debt was continuing to mount?

Mr. MARLER: The debt was not continuing to mount. The revenues and surplus were mounting, and I took a very keen interest in it; and if I had not, I doubt very much whether the present third bridge would have been started.

Mr. HORNER (*Acadia*): I am not worried about the third bridge at all, but about this bridge. It cost about \$18 million and has taken in, since construction in 1959, a revenue of \$29 million; and yet there is \$28 million owing. This strikes me as strange, why somebody never looked into it and, maybe if nothing else, formed a committee like this, back in 1954, to delve into why it never paid itself off.

Mr. MARLER: I think all you would have to do would be to look at the reports of the National Harbours Board, to understand exactly what was taking place. It seems to me that anybody who could read the figures could see that the debt applicable to the bridge was being reduced. At the same time, I know the deficit account was not being reduced.

It has always occurred to me that at some stage, sooner or later, there would be an authority set up in Montreal which would take over all of the communications between the north shore and the south shore of the St. Lawrence river. I would have assumed that had that been done the government probably would have written off the deficit, for the simple reason that otherwise the thing would have been paralyzed with too much debt, just the same way as other enterprises in this country have been, which have been written off.

Mr. HORNER (*Acadia*): Did you think the only solution to the debt was for the government to write it off?

Mr. MARLER: No, I never said that. I am talking about the deficit; and I do not want to extend that to the whole debt. That is the deficit that is built up in the bad days. I do not know the amount, but it is very substantial.

I would always have thought that if, as and when an authority was set up to deal with the three bridges in the Montreal area, the government of the day would be persuaded to write off that deficit debt, as I think it is called in the National Harbours Board account. I do not think anybody could reasonably expect the government to make a present of the bridge to the community; I do not think that would be reasonable.

Mr. HORNER (*Acadia*): Is that possibly some of the reason why the policy was to pay off the part of the loan that was charging 2-3/4 per cent interest, and to continue to pile up the part that was being charged 5 per cent interest, because you thought that eventually the government would write off the 5 per cent?

Mr. MARLER: I was never asked to express an opinion on this, but I think if I had been asked to express an opinion I would want to have used the entire surplus to pay on the debt in connection with the bridge, and to allow the deficit to accumulate, regardless of whether it was bearing an interest of 6 per cent or 16 per cent and I never expected that the deficit debt was going to be paid.

Mr. HORNER (*Acadia*): You still did not expect that it should be paid?

Mr. MARLER: I am not expecting it either one way or the other.

Mr. HORNER (*Acadia*): But this is the reason why the policy was to pay off the lower interest amount?

Mr. MARLER: I am just expressing what I would have said to the board if I had been consulted, and such a decision was taken before I was minister.

The CHAIRMAN: Are there any other questions?

Mr. FISHER: I have just one last question: was there ever any understanding on your part that there might be a temporary installation of automatic machines?

Mr. MARLER: No, not on my part. I can say that it possibly might have been discussed within the board, but it was not discussed with me so far as I remember.

Mr. FISHER: We have had a number of suggestions that because of the shifts and changes necessary on the south shore, it was very difficult to put in a final installation. But I was very curious about this temporary installation, which might have been possible even on the north shore?

Mr. MARLER: I think it would have been very disruptive, and I think probably the government perhaps would have been criticized for installing it on the north shore, when the move to the south shore was so imminent.

Mr. FISHER: We have had replies from you and from Mr. Chevrier that indicated that without any doubt or qualification you were not aware of anything within the patronage framework, going on in connection with the Jacques Cartier bridge?

Mr. MARLER: I never conceived it to be a matter of patronage at any time.

Mr. FISHER: Would it be possible for this setup to exist without your knowing it?

Mr. MARLER: I heard your questions put to Mr. Chevrier and to Mr. Hees this morning, and I just cannot believe that it has any reality at all. I would say that applied to the present government as well as to my own time as Minister of Transport.

The CHAIRMAN: Are there any other questions?

Mr. CHEVRIER: It has been suggested to you, Mr. Marler, a moment ago, that perhaps you should have been alarmed at the fact that the tolls were not paying for the Jacques Cartier bridge. Have you seen the statement that was tabled by the Canadian National Railways concerning the Victoria jubilee bridge, which exhibits the situation from 1900 to 1959 wherein, during a period of 60 years, the excess of expenditures over revenues was \$3,243,400? And if the position, as has been suggested to you, applies to the Jacques Cartier bridge, which I doubt, does it not apply to the Victoria bridge to the same extent, in view of that statement?

Mr. MARLER: I have not studied the figures which the Canadian National Railways put on the record. I think the general experience with toll facilities has been that initially they are unprofitable. They go through a period when they accumulate a deficit, and then traffic improves in volume, and ultimately they get to the point of being self-sustaining.

I know that was the situation in New York where they installed such facilities as the Holland tunnel for one, and the Triboro bridge for another; and in both of those cases initially in the thirties, their experience was so bad that it could be described as being disastrous.

Then the war came along and there was a terrific upsurge in traffic, and I believe that they have used the revenues from these facilities to provide other facilities. It was that example that inspired me to believe, with regard to the Montreal bridges, that maintaining the tolls would lead to the development of new facilities between the north and south shores of the river.

Mr. CREAGHAN: Following up Mr. Chevrier's last question, I have never seen any evidence in the committee's report to date indicating any amount the Canadian National Railways might have contributed to its own operation over the Victoria bridge. My understanding of it is that the Canadian National Railways go over without paying themselves any premium, and that the big expense of maintaining the Victoria bridge originally was to accommodate the railway. It is only in recent years that they put on extra traffic lanes. I would like you to give your comments on whether or not it would be fair to try to compare the two types of bridges in so far as the revenue is concerned, bearing in mind that the Victoria Jubilee bridge is primarily a railway bridge.

Mr. MARLER: I suppose there is a certain point of similarity between them, in that they both handle motor vehicle traffic; but beyond that point I do not know just what comparison could properly be made. I think the obvious conclusion one comes to from looking at the Canadian National Railways' figures—and as I said a moment ago I have not examined them at all carefully—is that the allocation of the capital costs, as between the railway and roadway, is essentially arbitrary. One would find it very difficult to know just where the railway was leaning towards, favouring railway operation, or favouring roadway operation.

For example, take the painting of the structure, which is a very, very costly operation, which must be undertaken from time to time; I do not suppose anybody would want to spend time splitting the cost as between the painting of what belongs to the railway and what belongs to the roadway section of the bridge. I think that would be a refinement that would be time-consuming and rather wasteful. I think as far as the Canadian National Railways is concerned, the distinction between one and the other is quite unimportant.

Mr. CREAGHAN: It would not be fair for the travelling public who pay tolls to be expected to pay for the maintenance and operation of the railway bridge?

Mr. MARLER: No, I think that is right.

Mr. CREAGHAN: There has been a lot of talk about a third bridge.

Mr. MARLER: I think it is more than a possibility.

Mr. CREAGHAN: Yes, the Nuns island bridge, I think they call it. From your experience as a former minister and a councillor in the city of Montreal, do you think it would be in the public interest if all the bridges in the harbour were sold, and run in a more efficient manner?

Mr. MARLER: That is what I would call a very heavily loaded question, Mr. Creaghan. I think it is a matter that would require very careful study. I personally believe that the people of Montreal would feel happier if these three undertakings were put together, so that all the money paid in tolls for the facilities which are used would be used to provide service they were going to use. They would feel, for example, what they had paid on the Victoria bridge would serve to wipe out the debt relating to all the facilities. In other words, the surplus would not find its way into railway revenues or into government revenues, but would be used exclusively to pay off the capital costs of the facilities.

Do I think it would be more efficient? I remain to be convinced that it could be managed more efficiently by others than those by whom it has been managed thus far.

Mr. SMITH (*Calgary South*): You were speaking more as a former councillor than you were as a minister in that statement?

Mr. MARLER: I find it difficult to separate my capacities.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Marler says he expected there would be some delay in the province of Quebec in getting this tariff approved. I believe that leads to an insinuation that we cannot expect cooperation from the province of Quebec.

At page 642, where Mr. Beaudet was testifying, he said:

In 1954 I suggested to my board to change the tariffs. We were then working on a new tariff; in conjunction with the Canadian National Railways. It was in 1955, or probably early 1956, when we arrived at a satisfactory tariff.

So in the light of that fact, that from 1954 those authorities which come under control of the federal government had been working on a tariff change which did not actually come into effect until 1959, can you feel that any delay occasioned by the province of Quebec could be significant in the light of that long time that was taken by the federal authority to have this tariff processed through?

Mr. MARLER: Mr. Browne, I know nothing whatever about discussions on the tariff in 1954. I think I have told the committee all I know about my discussions with the National Harbours Board about the tariffs, and I am afraid I cannot add anything to what I have already said. I was not endeavouring to address any reproaches to the provincial government. I had occasion when I was in the legislature to address reproaches, but I have not been doing that since I was Minister of Transport. All I can say is that when I told Mr. Roberts it would take time, I do not think I was exaggerating. Subsequent experience, after I left office, demonstrates that what I said was correct.

Mr. BROWNE (*Vancouver-Kingsway*): But in comparison with the long period of time it took to get the tariff through, their delay would not seem to me to be extraordinarily long.

Mr. MARLER: You are assuming that in 1954 the matter was at ministerial level and I told you it was not at ministerial level when I was Minister of Transport.

Mr. BROWNE (*Vancouver-Kingsway*): I did not say that.

Mr. MARLER: You implied it, though.

Mr. BROWNE (*Vancouver-Kingsway*): I said it was in the hands of an agency under the control of the federal government and it took from 1954 to 1959 to get that accomplished. I think in the light of that, after the government submitted it to the provincial government, to say whether there was a delay or not I think is a rather unfair statement.

Mr. CHEVRIER: I have not been interrupting, but I do not think that is the kind of question that should be asked of a witness. This comes very close to brow-beating. There has been some evidence of that so far and I will read it into the record if I have to. I do not think in asking questions you should argue with the witness, because certainly this witness has been more than fair and has given all information that he can. Now you are arguing with him.

Mr. BROWNE (*Vancouver-Kingsway*): You are arguing with me.

Mr. CHEVRIER: I have a perfect right to argue with you, because I am a member of the committee.

The CHAIRMAN: All right, Mr. Browne, have you any more questions?

Mr. BROWNE (*Vancouver-Kingsway*): That is all.

Mr. MARLER: I do not want to leave Mr. Browne's remarks unanswered, regardless of whether I am being browbeaten or not. I can merely repeat what I have already stated, I think three times, that I was not asked by the National Harbours Board to submit any tariff to the provincial government, but if I had been so requested I would have done so without any delay.

However, I shall not conceal the fact that I do not think I would have been any more successful or any less successful than Mr. Hees was. I would like to tell the committee that Mr. Duplessis and I had been friends for a great many years despite our political differences. I had thought if it could have been done it would have been done. But when I told Mr. Fisher earlier that my experience was it took a long time with the provincial government I was merely stating a fact that was within my personal knowledge.

Mr. DRYSDALE: Mr. Marler, I mentioned to Mr. Chevirer this morning about section 26 of the National Harbours Board Act, which requires an annual budget, and he pointed out to me it was repealed in the 1953-54 act. Do you know what the reason for that repeal was?

Mr. MARLER: No; I was not a member of the government at the time.

Mr. DRYSDALE: You were not a member of the government in 1954?

Mr. MARLER: I was not a member of the government during the 1953-54 session of parliament.

Mr. DRYSDALE: When did you become a member of the government?

Mr. MARLER: July 1, 1954.

Mr. DRYSDALE: So you have no idea as to why this particular section was repealed?

Mr. MARLER: No, I am afraid I have not.

Mr. DRYSDALE: Under this section, there would be a rather close scrutiny of the annual budget, and many of these things that have been suggested would have been forceably brought to the minister's attention under the statute.

Mr. MARLER: I think the budget of the National Harbours Board, indeed the budget of the department and all the agencies, were given very close scrutiny. My experience, as Minister of Transport, was that I never could get enough money for the Department of Transport from treasury board, and that

the examination of the estimates, both of the department and the agencies, by the treasury board staff, as most exacting, and most careful, and I cannot believe more could have been done by the minister, whether or not he had the statute.

Mr. DRYSDALE: What happened to the annual budget, after this section was repealed?

Mr. MARLER: All I can say is from my own experience. The budgetary items of the National Harbours Board were submitted to the house, with the other items of the Department of Transport.

Mr. PIGEON (*Interpretation*): I only have one question to ask you, Mr. Marler. When you were Minister of Transport, did you have a great many requests for abolition of the tolls on the Jacques Cartier bridge?

Mr. MARLER (*Interpretation*): I believe that one motion was presented in the house, and I did receive, on the part of some mayors of some municipalities, requests to abolish the tolls on the bridge.

Mr. PIGEON (*Interpretation*): In reply to these requests, what were the principal reasons given?

Mr. MARLER (*Interpretation*): I recall having received such a request from the mayor of Granby, and having discussed it with him—and I gave him the same reply I gave a while ago to Mr. Horner.

Mr. FISHER: Mr. Chairman, I want to be fair to Mr. Marler. I asked him a while back about the temporary installations and the possibilities—and I wanted to read this paragraph from the notes of the board meeting held in Montreal on October 24, 1956, which says:

The port manager strongly recommends the installation of Grant Electrotoller equipment

and later on, it says:

The estimated cost of installation of the equipment on the present booths is \$15,000. The same equipment can be later transferred to the new plaza when the southern approaches to the bridges have been completed.

This would indicate that the question of a transferrable installation was very much to the fore during your administration, and I wanted to read it to you again to see whether it would stir any memories of this particular pressure.

Mr. MARLER: It does not stir any memories on my part, and I can recall no discussion with regard to installing them temporarily at both ends of the bridge.

I read this minute, just as you have, but I would not be at all surprised if it was discussed between the board and Mr. Beaudet—but not with me, as far as I can remember.

The CHAIRMAN: Gentlemen, are there any further questions?

Mr. FISHER: Mr. Chairman; I wanted to raise a question in connection with what Mr. Chevrier brought up.

Mr. Chevrier said he is in a position to read evidence to show where we have brow-beaten witnesses. However, this has nothing to do with Mr. Marler.

The CHAIRMAN: I would like to thank Mr. Marler for being a witness. He has been a good witness and a very cooperative one. I do wish, on behalf of the committee, to thank you for coming, Mr. Marler. We appreciate it very much.

Mr. FISHER: I would like to hear that evidence. I think Mr. Chevrier owes it to us. I do not know whether "browbeating" is a parliamentary or unparliamentary word, but it has a rather nasty connotation.

Would he agree to explain to us where we have been browbeating witnesses.

Mr. CHEVRIER: Yes, I think you are entitled to an explanation—and I would not have made it unless I would have thought so.

I think there is clear evidence of browbeating at page 343, by Mr. Drysdale of Mr. Murphy—and I will proceed to read what I think are words which indicate that. About two-thirds of the way down, it reads as follows:

Mr. MURPHY: I am sure the board was concerned.

Mr. DRYSDALE: Never mind about being "sure". Were they or were they not?

Mr. MURPHY: May I suggest that question should be directed to the board itself, rather than to myself?

Mr. DRYSDALE: What page is that on?

Mr. CHEVRIER: Page 943.

Mr. DRYSDALE: You said 343. Would you wait a moment until I find the place?

Mr. CHEVRIER: I will continue.

Mr. DRYSDALE: You had the financial administrative responsibility to the National Harbours Board, for the money. You made certain recommendations, or drew it to the attention of the National Harbours Board. I think it is in your interest, as well as in the board's interest, to see if there was any discussion, implementation or criticism. After all, you are the person who would be exposed to criticism, are you not?

Mr. MURPHY: I did not remember the details of those discussions which are, after all, eight years back. I can only really generalize, at a time like this, as to what my general memory is of the general features of our discussions and investigations.

Mr. DRYSDALE: In other words, you do not really remember very much, and you do not feel any personal responsibility, as far as the administration is concerned—or did you not feel any obligation to follow the matter up?

Mr. MURPHY: Mr. Chairman, again, these are very suggestive questions, which I think are somewhat unfair, in that they might be improperly interpreted. He is endeavouring to put words in my mouth.

Mr. DRYSDALE: I am trying to get words out of your mouth and not to put them in; but it is extremely difficult to get any answers at all from you, Mr. Murphy, on matters which I think you, as a businessman, could answer, perhaps, logically. You do not seem to be particularly concerned as to what happened to the revenue or recommendations.

Mr. DRYSDALE: Where is the browbeating?

An Hon. MEMBER: It is in black and white.

Mr. CHEVRIER: I suggest that from two-thirds down the page, to the end of the page, is evidence of that. What has been going on here is a matter which I think the committee should discuss, and I do not think it is up to the examiner, the member of the committee, to treat the witness in the manner in which, in my opinion, he was treated here.

Mr. DRYSDALE: Mr. Chevrier, would you kindly define "browbeating", before we go any further? You seem to be a little vague on that particular matter.

Mr. CHEVRIER: After all, Mr.—

Mr. DRYSDALE: "Drysdale".

Mr. CHEVRIER: —Mr. Drysdale, you are a member of the bar and, unfortunately, you have not been a member of the House of Commons too long. I think if you had been a member of the House of Commons for the length of time some of us have been, you certainly would not have used that language, the language which you used there, in connection with Mr. Murphy.

Mr. DRYSDALE: Mr. Chairman, speaking to the particular point of order: I think that the members present would feel that I tried to be fair. Perhaps my questioning was blunt: I will agree with that. My questioning usually is blunt, regardless of whether it is of friends, or perhaps those politically opposed. I do not know Mr. Murphy; I had never seen Mr. Murphy before. As a matter of fact, I came into the committee at this particular time, and I had not even called Mr. Murphy. The chairman asked if there were any questions. I looked to Mr. Fisher—who I understand had called Mr. Murphy—and nobody rose and, on the spur of the moment, I rose to start my line of questioning.

I found Mr. Murphy an extremely difficult witness from whom to get any information, as I did Mr. Roberts. You may have suggested that was browbeating, Mr. Chevrier; but I would suggest, Mr. Chairman, that what I was faced with was, after starting out a simple line of questioning. As I have already said today, I received very good cooperation from Mr. Chevrier, and Mr. Marler has been a very good witness; and there have been several others, such as Mr. Beaudet, who have been extremely helpful when giving evidence. I found Mr. Murphy and Mr. Roberts, particularly, rather difficult.

I know neither of these gentlemen. I was trying to shorten the proceedings by asking rather terse questions, and I was trying to draw to their attention that they were not giving very satisfactory evidence to the committee, and I was trying to do that in a way which would give them, perhaps, an opportunity of enlarging on it.

I said to Mr. Murphy that I was not trying to put words in his mouth. It was the fact that he seemed to be rather vague in his answers, and I wanted to give him every opportunity to expand on them. It was not my intention to do any browbeating. I would appreciate any comments of the witnesses in this regard.

I am flattered that Mr. Chevrier says that my rather, shall I say, close cross-examination, could be termed browbeating; but I can certainly assure Mr. Chevrier and the committee that it was not my intention. I should point out to him that I come from the province of British Columbia, and the Jacques Cartier bridge is not too important a problem as far as I am concerned. But, for better or worse, I am a member of this particular committee, and I think it is important that during the time we spend here we get information from the witnesses.

If I am accused of browbeating, I will certainly go after any witness strongly who I feel is not getting to the point, or who I feel is not getting to the point quickly; and neither Mr. Murphy nor Mr. Roberts, when they were in positions of responsibility and were supposed to be businessmen, could apparently remember anything about the job.

"I do not know exactly what I was doing here"—in essence, that is what they were saying. "The only thing I remember is that I did not have any responsibility"—that is what they were saying. The only time they ever attributed any responsibility was to the two people now dead, to the secretary of the board, and Mr. Healy, one of the Members of Parliament. They were the only two people to whom they attributed any responsibility. Neither Mr. Murphy

nor Mr. Roberts felt any responsibility for checking these matters, and when it came to the point, they said, "No, we did not have any responsibility".

I would say, Mr. Chairman, that I was not browbeating, but I would say I was checking very, very closely on the questioning. I will agree to that, and I will plead guilty to that charge, if that is the charge.

Mr. CHEVRIER: On a question of privilege, Mr. Chairman: I would like to thank Mr. Drysdale for the explanation which he has given. I would not have brought the matter up had it not been raised by Mr. Fisher, and perhaps it may be that I felt somewhat sensitive because of the fact that I know both these gentlemen. I was associated with them for many years, and I know them both to be—of course, I am not referring to Mr. Roberts at all now; I am referring to Mr. Murphy only. I know Mr. Murphy to be a very able engineer, one of the top-notch engineers of the city of Montreal; and an able administrator too, who had hundreds of millions of dollars to deal with when he was the port manager in Montreal. It seemed to me, when I read the evidence, that the questioning was perhaps out of the way. If Mr. Drysdale feels that the expression I used a moment ago is an untoward one, I did not want to direct towards him any criticism; but I thought that the manner of the examination, in fact cross-examination, came pretty close to that. However, it may be because of my close association with these two men that I felt a little bit more sensitive about that part of his examination than I might have.

Mr. DRYSDALE: Just glimpsing very quickly through the record I do not recall that Mr. Chevrier was present at this particular examination. I think the members here who were present will recall that the questioning was carried on in a very modified tone by myself. I admit I am blunt, but I am blunt with everybody. I find it is a time saver sometimes although it is not too popular. I think it should be drawn to the attention of the committee that Mr. Chevrier was not present to see the manner in which questioning was carried on. I thought I was relatively fair.

Mr. CHEVRIER: It is quite true I was not present. Perhaps if I had been I might have modified the expression I used earlier. I was not present as the committee knows, because I was in the House of Commons on another matter. Mr. Pearson was away most of last week and I had to do certain things which normally would be his responsibility.

The CHAIRMAN: I think if you had been here your statement would have been much more modified. As chairman of this committee I have endeavoured to see that nobody is browbeaten, if that is the word. I have tried to see that there is fair play in respect of everyone. I also believe the committee have been very fair.

Mr. BOURBONNAIS: One thing which struck me in this committee is that many times a witness was asked a "hot" question when his memory faded, and Mr. Chevrier got real mad.

Mr. CHEVRIER: On a point of order, I do not think I attempted to interfere with anyone who wanted to ask questions of me this morning. I attempted to give the answers to the best of my ability. I think that also applies to Mr. Marler.

The CHAIRMAN: I said I think every member of this committee has been fair.

Mr. FISHER: I wish to withdraw my request to have the other two Ministers of Transport appear before this committee.

The CHAIRMAN: That is Mr. Howe and Mr. Michaud.

Mr. MCPHILLIPS: There is one thing which is very significant. With the exception of Mr. Shea all of the witnesses in some manner have been in control of these bridges. We have not had any witnesses who are users of the bridge.

I would like to refer to appendix H on page 756 of the proceedings, which is the list of companies which was provided at my request by Mr. Clement. I would make the recommendation that we should have two or three witnesses from this group appear before this committee for questioning. I would suggest they be Miron & Frère Ltée, Steinberg's Limited and Bélanger Transport.

Mr. CREAGHAN: Whom do you want to call from those companies?

Mr. McPHILLIPS: Obviously we would have to have an officer of the company who was in charge of that particular branch of the company's operation.

The CHAIRMAN: First of all, Mr. Fisher withdrew his request to call Mr. C. D. Howe and Mr. Justice Michaud.

Mr. BROWNE (*Vancouver-Kingsway*): Could we ask first of all what witnesses are left?

The CHAIRMAN: I think that is up to the steering committee. On Thursday, we have Robert K. Smith, former chairman of the national harbours board. Then we will have the Victoria bridge gentlemen, Mr. Côté and Mr. Henderson. They have some papers they will table, and answers to questions asked them at the last meeting.

Does the committee agree to the withdrawal of Mr. Fisher's request concerning Mr. Howe and Mr. Justice Michaud?

Agreed.

The CHAIRMAN: Thank you, gentlemen.

Mr. McPhillips has suggested three firms, Biron & Freres, Steinberg's Limited and Belanger Transport.

The CHAIRMAN: Have you a seconder for that motion?

Mr. FISHER: I will second it.

The CHAIRMAN: Seconded by Mr. Fisher.

Mr. McPhillips suggested that the steering committee consider calling witnesses from these firms.

Mr. McPHILLIPS: My motion was not that they "consider".

Mr. CREAGHAN: His motion is that the steering committee select the personnel from these three companies—one or more, maybe, from each company, suitable persons.

Mr. CHEVRIER: Are we derogating from the fact that the steering committee, as a rule, has selected the witnesses?

The CHAIRMAN: No.

Mr. CHEVRIER: I thought the steering committee determined a list of some 20 witnesses, at one stage, and we were dealing with those. Do you want to add to that list by this motion, or ask the steering committee to determine whether these should be called?

Mr. McPHILLIPS: Speaking on my own motion, the reason for this is, I think, obvious.

All the testimony here has been received with the sole exception of Mr. Shea of the C.N.R.—from witnesses who were in some capacity charged with the administration of these bridges. We have not had a solitary witness that comes in the category of a user of the bridge. That is why I figured it so important we have officials of these companies.

The CHAIRMAN: Is it your feeling, gentlemen, that this motion should be carried? We will have the Clerk read it.

The Clerk of the Committee:

Moved by Mr. McPhillips and seconded by Mr. Fisher, that the steering committee select suitable officials of the following trucking firms, namely, Miron & Frères Ltée, Steinberg's Ltd., and Bélanger Transport Cie Ltée, to be summoned to appear before the committee.

The CHAIRMAN: Those in favour of the motion? Those opposed?

Motion agreed to.

The CHAIRMAN: Now, on Thursday morning next, as I told you before, gentlemen, at 9.30 in the railway committee room, we will have Robert K. Smith, and the C.N.R. officials on the Victoria Bridge.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANAUX ET LIGNES TÉLÉGRAPHIQUES

(Page 1040)

M. PIGEON: Monsieur Chevrier, vous venez de dire, en résumé, que vous étiez responsable devant le Parlement des sommes d'argent, de l'administration et des sommes d'argent dépensées, concernant l'administration du port de Montréal.

M. CHEVRIER: C'est exactement ce que je n'ai pas dit, monsieur Pigeon.

M. PIGEON: Devant le Parlement, vous étiez responsable, certainement, des sommes d'argent dépensées?

M. CHEVRIER: Monsieur Pigeon, la déclaration que j'ai faite indique que le Conseil des ports nationaux était une corporation de la Couronne. Une corporation de la Couronne qui menait ses propres "activités" en vertu d'un statut. Et que cette corporation était responsable au Parlement, par l'entremise du ministre des Transports.

M. PIGEON: Autrement dit, vis-à-vis le peuple canadien, vous aviez la responsabilité, devant le Parlement, de l'administration et des sommes d'argent dépensées en rapport avec le port de Montréal?

M. CHEVRIER: Pour ce qui est du peuple canadien, monsieur Pigeon, je vous rappellerai les termes du statut. Les termes du statut indiquent clairement les responsabilités du Conseil des ports nationaux, établi en 1952, le chapitre 187, qui indique clairement, dans toutes ses "sections", que la corporation était une corporation solidaire d'elle-même qui était responsable pour ses actes.

M. PIGEON: Mais devant le Parlement, comme ministre des Transports à l'époque, quelle était exactement votre responsabilité? C'est le point que je ne saisis pas dans votre déclaration.

M. CHEVRIER: Ma responsabilité au Parlement était de déposer les rapports annuels du Conseil des ports nationaux, de faire adopter les crédits du Conseil des ports nationaux. Et ma responsabilité n'avait rien à voir avec l'administration intérieure du Conseil des ports nationaux.

M. PIGEON: Monsieur Chevrier, si vous aviez la mission, en Chambre, de défendre les crédits ou de les déposer, est-ce que, par le fait même, vous n'aviez pas une certaine responsabilité en ce qui concernait ces crédits?

M. CHEVRIER: Je crois, monsieur Pigeon, que vous ne faites pas la distinction entre la responsabilité ministérielle et la responsabilité pour une corporation de la Couronne. La responsabilité ministérielle, je crois, est différente de la responsabilité pour une corporation de la Couronne. Dans le cas d'une corporation de la Couronne, comme le système du National-Canadien, c'est un "bureau

de direction" qui dirige cette corporation-là; et le ministre, comme l'a dit le ministre actuel, n'a aucune raison d'intervenir dans l'administration de cette corporation.

Je crois qu'il y a une distinction à faire quand même pour ce qui est du Conseil des ports nationaux, parce qu'il est dit, à l'article 3 de l'Acte, que la corporation sera sous la direction du ministre.

J'ajoute, ainsi que je l'ai dit dans ma déclaration tantôt, que je n'ai jamais donné de directive au Conseil des ports nationaux, soit pour l'emploi des péagers, soit pour leur renvoi.

(Page 1041)

M. PIGEON: Mais, comme ministre des Transports, vous saviez, le ministre des Transports peut nommer les conseillers ou les membres du Conseil des ports nationaux à Montréal, les "appointer" de lui-même, il peut les "appointer"?

M. CHEVRIER: Non, monsieur.

M. PIGEON: Mais vous avez dit, tout à l'heure, que vous étiez responsable à la Chambre des communes des crédits affectés à l'administration des ports nationaux, lorsque vous étiez ministre des Transports, comme le ministre actuel d'ailleurs?

M. CHEVRIER: Oui, monsieur.

M. PIGEON: Alors, si ces crédits ne sont pas réels à cause d'un manque d'administration, le ministre a sa part de responsabilité, donc?

M. CHEVRIER: Ma réponse, c'est que je n'ai rien vu depuis le début de cette assemblée, de ces séances, où les crédits n'ont pas été réels; je n'ai rien vu, non plus, où il y avait eu quoi que ce soit de malhonnête dans la preuve qui a été donnée devant ce comité; au contraire, les témoins, trois témoins ont rendu témoignage à l'effet contraire.

M. PIGEON: Comment pouvez-vous expliquer, monsieur Chevrier, la différence qu'il y a entre le revenu actuel avec le nouveau système de perception et l'ancien système de péages, avec les péagers?

M. CHEVRIER: De deux façons. J'aurais peut-être dû qualifier ma réponse, tantôt, en disant que jusqu'en 1957 et 1958, je n'ai rien vu dans la preuve qui dénoterait de la malhonnêteté. Et la deuxième réponse à votre question, c'est que partout où un système automatique a été établi, il a été prouvé que les recettes ont augmenté.

M. PIGEON: Comment pouvez-vous expliquer cette augmentation?

M. CHEVRIER: Je viens de l'expliquer.

M. PIGEON: Oui, mais en fin de compte, si, avec le nouveau système de perception, il y a eu 40, 50, et même 100 p. 100 plus de revenu dans un mois, ou deux mois, ou six mois, comment peut-on expliquer qu'il n'y a pas eu d'irrégularité? Il y a certainement une raison à cela.

M. CHEVRIER: La preuve a indiqué qu'il y avait eu, pas une augmentation de 100 p. 100, mais qu'au Pont Jacques-Cartier, il y avait eu une augmentation de 35 p. 100.

Et nonobstant cela, le témoin M. Roberts, qui a été membre du Conseil des ports nationaux plus longtemps que n'importe quel autre, a dit ceci, d'après la page 955 de son témoignage:

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(Page 1041)

M. PIGEON: Vous avez dit, tout à l'heure, qu'il a été prouvé que l'augmentation avait été de 35 p. 100. Ce n'est pas prouvé. Vous avez dit cela, ce qui est un chiffre très conservateur, actuellement, dans l'opinion des témoins qui ont comparu ici; et même je crois que M. Beudet a dit qu'il y avait eu des irrégularités.

Alors, comment expliquer, quand vous dites qu'il n'est pas prouvé qu'il y a eu des irrégularités. . .

M. CHEVRIER: Le fait qu'il y a eu une augmentation dans le tarif, dans les revenus, ne prouve pas nécessairement qu'il y a eu des irrégularités. C'est vous qui en venez à cette conclusion, comme vous avez déduit, au cours de l'enquête, qu'il y avait eu vol, quand il n'y a aucune preuve qu'il y avait eu vol.

(Page 1042)

M. PIGEON: Comme ancien ministre des Transports, comment pouvez-vous expliquer qu'il y a une augmentation des revenus avec le nouveau système?

M. CHEVRIER: D'abord, je n'étais pas ministre des Transports quand l'augmentation a eu lieu. Par conséquent, je n'ai pas à l'expliquer. Et en second lieu, je vous répète ce que je vous ai dit tantôt, que partout où le système automatique, le nouveau système automatique a été établi, il y a eu preuve d'augmentation des revenus.

M. PIGEON: Comment expliquez-vous donc que M. Beaudet ait dit qu'il y a eu des irrégularités?

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(Page 1042)

M. CHEVRIER: Il se peut fort bien que M. Beaudet ait dit cela, mais M. Shea, qui est la personne responsable des "investigations" qui ont été tenues par le National-Canadien, a dit à plus d'une reprise qu'il n'y avait rien d'extraordinaire dans tout cela pendant toutes les "investigations" qu'il avait faites, sauf en 1957 et 1958.

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(Page 1042)

M. PIGEON: Mais, lors de l'enquête, des "investigations" ont été faites par la police du pont Jacques-Cartier; il est prouvé que chaque année des personnes ont été démisées de leurs fonctions à cause d'irrégularités?

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(Page 1042)

M. PIGEON: M. Beaudet a dit également...

M. CHEVRIER: J'aimerais bien répondre à la question que vous avez posée tantôt et qui a été interrompue par M. Deschatelets. Pendant l'époque où j'étais ministre des Transports, à savoir de 1945 à 1954, il n'y a eu que deux "investigations" par le National-Canadien; et à chacune de ces "investigations"-là, il n'y a eu aucune preuve de malhonnêteté et aucune preuve d'irrégularités, d'après les témoins eux-mêmes.

M. PIGEON: Mais vous admettez que des péagers ont été démis de leurs fonctions?

M. CHEVRIER: Je ne crois pas que cela ait eu lieu pendant que j'ai été au ministère des Transports.

M. PIGEON: Mais, M. Beaudet disait qu'il y avait des péagers, qu'un péager avait une Cadillac, un autre un avion, un autre un camp dans le nord, et que c'est là qu'on a commencé un peu à se rendre compte que ces personnes-là avaient un train de vie trop élevé?

M. CHEVRIER: Je ne crois pas, monsieur Pigeon, que c'était au sujet de l'époque où j'étais au ministère des Transports que M. Beaudet a fait cette affirmation-là.

M. PIGEON: Vous n'avez jamais eu, directement ou indirectement, une conversation ou une lettre vous avisant qu'il y avait quelque chose d'anormal qui se passait au pont Jacques-Cartier durant votre terme d'office?

M. CHEVRIER: Jamais.

M. PIGEON: Vous êtes prêt, monsieur Chevrier, à admettre que, lors de votre terme d'office, il n'y a eu aucune irrégularité entraînant une perte d'argent à cause de la mauvaise administration du pont Jacques-Cartier?

M. CHEVRIER: Je ne suis pas prêt à faire cette admission-là, pour la simple raison que je n'étais pas en contact avec ce qui se passait sur le pont. Mais, ce que je vais vous dire, cependant, c'est ceci: aucune irrégularité ni aucune malhonnêteté, n'ont attiré mon attention pendant tout le temps que j'ai été au ministère des Transports.

(Page 1043)

M. PIGEON: Vous avez dit, tout à l'heure, qu'à la Chambre des communes, vous étiez responsable des crédits concernant l'administration et la marche du port de Montréal, y compris le pont Jacques-Cartier?

M. CHEVRIER: Oui.

M. PIGEON: Donc, ne trouvez-vous pas que vous avez une certaine part de responsabilité relativement aux sommes d'argent, que l'argent ait été bien administré ou qu'il ait été mal administré, à l'égard de la Chambre des communes, vous avez une certaine part de responsabilité en ce qui concerne les crédits?

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(Page 1043)

M. PIGEON: Si, déjà à la suite de ce que les témoins ont dit concernant les irrégularités qui ont été commises, le train de vie qu'avaient les péagers, si une perte d'argent est due à la mauvaise administration,—et d'ailleurs, actuellement, avec le nouveau système de perception, il y a une augmentation de 40 p. 100 de revenu, et on prédit qu'au mois d'août, il y aura 100 p. 100 d'augmentation des revenus,—par le fait que vous étiez responsable des crédits à la Chambre des communes, nous pouvons conclure que, lorsque nous aurons les preuves complètes de la perte d'argent, vous aurez une certaine part de responsabilités. Et, . . .

M. DESCHATELETS: Ce n'est pas une question cela.

M. CHEVRIER: Laissez-le. Laissez-le, je n'ai pas d'objection à répondre. Les témoins n'ont pas rendu témoignage à l'effet qu'il y a eu malhonnêteté ni irrégularités pendant le temps que j'ai été au ministère des Transports. Alors, c'est vous qui dites cela, non pas les témoins.

M. PIGEON: Je tiens à faire une remarque, ici. Les chiffres parlent d'eux-mêmes. L'augmentation, qu'il y a, des revenus, à la suite du nouveau système de perception, est une preuve, à mon sens, concluante qu'il y a eu mauvaise administration; autrement dit, les revenus seraient les mêmes, ou à peu près les mêmes.

M. CHEVRIER: Les chiffres, monsieur Pigeon, ont été prouvés ou établis pour l'année 1957, et j'étais au ministère des Transports trois ans avant cela.

M. PIGEON: Mais, de 1945 à 1954, en tenant compte du volume de circulation et des revenus, et du volume de circulation aujourd'hui, avec le nouveau système et le revenu, il est clair qu'il y a eu une perte de revenus durant ce temps, toute proportion gardée.

M. CHEVRIER: Je ne suis pas prêt à admettre cela, parce que, de 1945 à 1954, ou plutôt de 1947 à 1954, je crois que les revenus au pont Jacques-Cartier ont augmenté sensiblement.

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(Page 1073)

M. PIGEON: M. Chevrier disait ce matin, qu'à la suite de l'installation du système de perception automatique, les revenus avaient augmenté d'à peu près, oh! environ 40. p. 100. Est-ce que vous pouvez donner votre point de vue,

nous donner les motifs qui ont pu être responsables de cette augmentation, quand on avait le système de péagers et le système. . .

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(Page 1073)

M. MARLER: Monsieur le président, je répondrai ceci à M. Pigeon: Je crois qu'il est très difficile d'en venir à une conclusion intelligente par le seul fait que, pendant une période de temps, les mois de septembre, octobre, novembre et décembre 1959, les revenus ont été supérieurs à ceux de l'année précédente.

Je crois qu'il y a tant d'explications, trop d'explications je dirais. . .

Monsieur le président, si vous me permettez d'ajouter qu'il y a, par exemple, la condition du pont Victoria. Lorsqu'une partie d'un pont est fermée, il y a évidemment augmentation du trafic sur l'autre pont. Lorsque vous exécutez des travaux sur le pont Jacques-Cartier, évidemment le trafic diminue. Eh bien, je ne suis pas suffisamment au courant des travaux qui ont été exécutés au cours de 1958 et 1959 pour avoir une opinion véritable à ce sujet.

M. PIGEON: Vous avez dit qu'il y avait plusieurs raisons et vous venez d'en mentionner une. D'après vous, est-ce que vous connaissez d'autres raisons?

M. MARLER: Non, je n'en connais pas d'autres.

M. PIGEON: Comment se fait-il, monsieur Marler, que M. Beaudet a dit, ici, ainsi que d'autres témoins, concernant le pont Jacques-Cartier, que les travaux de canalisation du Saint-Laurent, etc., la fermeture du pont temporaire d'un côté n'a pas affecté du tout les revenus?

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(Page 1074)

M. PIGEON: M. Beaudet a dit que ça n'avait pas affecté considérablement . . .

M. BOURGET: A quelle page?

* * * *

(Page 1074)

M. PIGEON: Je pourrai vous la donner cet après-midi, après le dîner.

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(Page 1074)

M. PIGEON: Lorsque vous étiez en fonction, monsieur Marler, de près ou de loin, est-ce que vous avez entendu des plaintes concernant les péagers?

M. MARLER: Concernant?

M. PIGEON: Les péagers, ceux qui "collectaient"?

M. MARLER: Non.

M. PIGEON: Vous n'avez jamais reçu de lettres ni de téléphones, aucun avis ne vous a été donné?

M. MARLER: Non.

M. PIGEON: Est-ce que les autorités du port de Montréal vous avisaient du nombre d'irrégularités qu'il pouvait y avoir ou des démissions d'employés, ainsi que des raisons de ces démissions?

M. MARLER: Monsieur le président, je n'en ai eu connaissance, pour la première fois, que lorsque j'ai lu la preuve qui a été faite devant ce comité.

M. PIGEON: Est-ce que, vous-même, vous auriez fait des recommandations, soit par téléphone, soit par lettre, pour recommander des péagers aux autorités du port?

M. MARLER: Non.

M. PIGEON: Vous n'en avez jamais fait? Vous n'avez fait ni de près ni de loin, aucune intervention?

M. MARLER: Monsieur le président, comme j'ai dit en réponse à une question posée par M. Fisher, je peux avoir transmis à la Commission des ports nationaux les lettres que j'ai reçues de la part des députés et d'autres, mais personnellement je n'ai pas fait de recommandations.

M. PIGEON: Sur ces lettres, vous n'aviez jamais ajouté un mot personnel?

M. MARLER: Non, monsieur le président, ces lettres ont été écrites par mon "adjoint exécutif".

M. PIGEON: Pour revenir à une question du début, vous ne pouvez expliquer les raisons de l'augmentation, vous ne pouvez donner d'autre raison de l'augmentation des revenus sur le pont Jacques-Cartier?

M. MARLER: Monsieur le président, je ne pense pas pouvoir ajouter quoi que ce soit à la réponse que j'ai déjà donnée à M. Pigeon.

M. PIGEON: Monsieur Marler, lorsque vous êtes entré en fonctions en 1954, lorsque la Commission des ports nationaux vous faisait un rapport, est-ce qu'on vous mentionnait, dans ce rapport, le nombre de personnes qui avaient "résigné" comme percepteurs et ceux qui avaient démissionné pour cause, "pour raison"?

M. MARLER: Monsieur le président, la question des engagements et des congédiements relevait exclusivement de la Commission; on ne me parlait pas de ces choses-là et on n'en parlait pas dans ses rapports.

M. PIGEON: Est-ce que vous trouvez, monsieur Marler, que le rôle du ministre, en Chambre, est de répondre aux questions posées en ce qui concerne les crédits, est-ce que vous ne trouvez pas que, dans l'intérêt public, il aurait été préférable que vous demandiez d'inclure ces renseignements dans le rapport?

M. MARLER: Monsieur le président, je ne sais pas de quel rapport il s'agit.

M. PIGEON: Concernant les démissions, les irrégularités, s'il y en a eu.

(Page 1075)

M. MARLER: Monsieur le président, je disais que je ne recevais pas de tels rapports.

M. PIGEON: Est-ce que vous trouvez que dans l'intérêt public, il aurait été préférable que vous receviez ces rapports?

M. MARLER: Monsieur le président, si nous devons faire une telle chose pour la Commission des ports, nous devons le faire aussi pour le National-Canadien, nous devons le faire pour, en effet, toutes les corporations qui relèvent du ministère des Transports. Eh bien, cela serait une tâche impossible, et je crois que cela ajouterait inutilement aux responsabilités du ministre.

* * * *

(Page 1075)

M. PIGEON: Lorsque, à cause des travaux de canalisation du Saint-Laurent, on a fermé temporairement le pont Jacques-Cartier, les voies du pont Jacques-Cartier...

M. MARLER: On n'a jamais fait cela.

M. PIGEON: Non, mais est-ce qu'on a fermé un côté?

M. MARLER: Je ne pense pas que les voies, même une voie, je ne pense pas qu'une voie ait été fermée. Nous avons ajouté une nouvelle voie, je pense, en 1956, je crois, ou en 1955, mais cela permettait plutôt d'ouvrir des voies que d'en fermer.

M. PIGEON: Mais, est-ce que les travaux de la canalisation du Saint-Laurent de près ou de loin, ont pu entraîner une perte de revenus du pont Jacques-Cartier?

M. MARLER: Je pense, monsieur le président, que cela dépendra un peu du voyageur, celui qui habite, disons, Saint-Lambert, qui a le choix entre les deux ponts; à mon sens, il sera tenté de choisir le pont Victoria s'il n'y a pas de travaux "en marche"; par contre, s'il y a des travaux "en marche" sur le pont Victoria, il est porté à choisir le pont Jacques-Cartier. Les gens qui sont à l'est du pont Jacques-Cartier, probablement passaient comme à l'ordinaire. Nous ne pouvons pas dire que c'est une perte totale; il y a probablement eu diminution.

M. PIGEON: Est-ce que vous trouvez, est-ce que vous croyez que cette diminution a été appréciable, ou presque infime?

M. MARLER: Monsieur le président, réellement, de mois en mois, il est impossible de savoir s'il y a un facteur en particulier qui augmente ou diminue. Il y a une croissance continue, il y a des facteurs saisonniers.

M. PIGEON: Comment se fait-il que, tout à l'heure, vous avez dit qu'une des causes d'augmentation du revenu était peut-être qu'il y avait eu moins de trafic sur le pont, et puis vous dites que c'est impossible de l'établir?

M. MARLER: Monsieur le président, j'ai tâché d'expliquer au comité pourquoi je ne pouvais pas prononcer une espèce de jugement quant aux raisons qui ont donné lieu à une augmentation des revenus sur le pont Jacques-Cartier. J'ai tâché de faire comprendre au comité que la condition des deux ponts a exercé une grosse influence sur les revenus.

Monsieur le président, voulez-vous me permettre d'ajouter un autre mot. M. Pigeon me pose des questions touchant des affaires qui ont eu lieu après que j'ai quitté le ministère des Transports; je n'avais donc ni les moyens, ni la responsabilité de m'en rendre compte, et aujourd'hui cela m'est encore plus difficile, maintenant que je ne suis même pas au Parlement.

M. PIGEON: Monsieur Marler, vous avez été ministre de 1954 à 1957, et durant cette période de temps, pendant laquelle vous avez été ministre, les revenus du pont ont été inférieurs à ce qu'ils sont actuellement, après l'installation du système automatique? C'est pour cela que je désirerais avoir les raisons qui, d'après vous, étaient la cause de cette augmentation de 35 à 40 p. 100?

M. MARLER: Monsieur le président, je fais remarquer à M. Pigeon que les revenus de 1954 à 1957 ont été supérieurs aux revenus des années précédentes; et il n'y a rien de surprenant à cela qu'avec les années et connaissant une période de prospérité, les revenus continuent à augmenter. Mais la raison de l'augmentation particulière au mois de septembre, je ne suis pas en mesure de donner une opinion intelligente à ce sujet; je l'ai dit deux fois.

(Page 1076)

M. PIGEON: Une dernière question. Je trouvais, comme le peuple canadien d'ailleurs, qu'il est renversant qu'il y ait une si forte augmentation depuis l'installation du système automatique, comparé aux années passées, et c'est tout ce que je voulais mettre en relief.

* * * *

(Page 1101)

M. PIGEON: Je n'aurais qu'une question à vous demander, monsieur Marler.

Lorsque vous étiez ministre des Transports, est-ce que vous avez eu plusieurs demandes pour l'abolition du péage sur le pont Jacques-Cartier?

M. MARLER: Je pense, monsieur le président, qu'une motion a été présentée à la Chambre et j'ai reçu, de la part de quelques maires de municipalités, des demandes pour abolir le péage sur le pont.

(Page 1101)

M. PIGEON: En réponse à ces demandes, quelles étaient les raisons principales?

M. MARLER: Monsieur le président, je me rappelle avoir discuté la question avec le maire de Granby, et je lui ai donné les mêmes raisons que j'ai données en réponse à M. Horner tout à l'heure.

* * * *

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960



STANDING COMMITTEE

ON

RAILWAYS, CANALS AND
TELEGRAPH LINES

Chairman: GORDON K. FRASER, ESQ.

PROCEEDINGS

No. 18

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

THURSDAY, MAY 19, 1960

WITNESSES:

Mr. R. K. Smith, of Waterloo, Ontario; of Canadian National Railways:
Messrs. Lionel Côté, Assistant General Solicitor, and L. J. Henderson,
General Manager of Road Transport; and Mr. Maurice Archer, Chair-
man, National Harbours Board.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

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and Messrs.

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Bell (<i>Saint John-Albert</i>),	Garland,	Payne,
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Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Smith (<i>Lincoln</i>),
Campeau,	Martin (<i>Essex East</i>),	Smith (<i>Simcoe North</i>),
Chevrier,	Martini,	Thompson,
Chown,	Michaud,	Tucker,
Creaghan,	McBain,	Valade,
Crouse,	McDonald (<i>Hamilton South</i>),	Wratten—60.
Denis,		

Eric H. Jones,
Clerk of the Committee.

CORRIGENDUM (*English Edition only*)

Proceedings No. 15, May 10, 1960

Page 969, 14th line from bottom: delete "dismissed" and insert "transferred".

MINUTES OF PROCEEDINGS

THURSDAY, May 19, 1960.
(31)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Asselin, Bell (*Saint John-Albert*), Bourbonnais, Bourque, Brassard (*Chicoutimi*), Browne (*Vancouver-Kingsway*), Bruchési, Chevrier, Chown, Crouse, Deschatelets, Drysdale, Fraser, Grills, Horner (*Acadia*), Horner (*Jasper-Edson*), Martin (*Essex East*), Martini, McGregor, McPhillips, Monteith (*Verdun*), Pascoe, Payne, Pigeon, Rapp, Rogers, Smith (*Calgary South*), Smith (*Lincoln*), Smith (*Simcoe North*), Thompson, Tucker and Wratten. (32)

In attendance: Mr. R. K. Smith of Waterloo, Ontario, former Chairman, National Harbours Board; of *Canadian National Railways*: Messrs. Lionel Côté, Q.C., Assistant General Solicitor; L. J. Henderson, General Manager of Road Transport; and Walter Smith, Ottawa Executive Representative of *National Harbours Board*: Messrs. Maurice Archer, Chairman; and J. F. Finlay, Legal Adviser; and Dr. P. M. Ollivier, Law Clerk of the House.

The Committee resumed its consideration of the toll-collection operations at the Jacques Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

Mr. R. K. Smith was called; he was sworn, was questioned and was retired.

Messrs. Côté, Henderson and Mills were recalled, being still under oath. Messrs. Côté and Henderson produced answers to questions which had been asked at previous meetings; they were questioned thereon. The said three witnesses were again retired.

During the examination of Messrs. Côté and Henderson, on request, Mr. Archer produced a table of collection of tolls on the Jacques Cartier Bridge which it was agreed be printed as an appendix to the proceedings of this day. (*See Appendix "A" hereto.*)

Further, during the said examination, of the C.N.R. officials, there were produced the following documents, which it was agreed be printed as appendices to this day's proceedings, namely,

Copy of a letter dated January 10, 1956, to Mr. G. Beaudet from the Assistant General Manager of Road Transport;

Copy of a letter dated January 12, 1956, to Mr. L. J. Henderson, General Manager of Road Transport, C.N.R., from Mr. G. Beaudet; and

A memorandum of meetings and discussions between the representatives of the C.N.R. and Port Manager, Montreal.

It was agreed that the said documents be printed as appendices to this day's proceedings. (*See Appendices "B", "C" and "D" hereto.*)

The Chairman advised the Committee that certain public bills would be considered by the Committee on Tuesday next, May 24th, and that, on Thursday, May 26th, there would be heard as witnesses three officials of trucking companies which used the toll bridges at Montreal namely, Mr. Jean Girard, General Manager, Miron & Frères Ltée., Mr. James Doyle, General Counsel, Steinberg's Limited, and an appropriate official of Belanger Transport. It was thereupon, on motion of Mr. McGregor, seconded by Mr. Asselin,

Resolved,—That Messrs. Jean Girard, James Doyle and an appropriate official of Belanger Transport be summoned to appear before the Committee at 9.30 a.m. on Thursday, May 26th.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings. The interpreter, Miss Paulette Cyr, continued to be under oath.

At 12.05 o'clock p.m. the Committee adjourned until 9.30 o'clock a.m. on Tuesday, May 24, 1960.

Eric H. Jones,
Clerk of the Committee.

NOTE: Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.

REMARQUE: Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.

EVIDENCE

THURSDAY, May 19, 1960.
9:30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

First of all I have a letter here from Mr. Alfred Poole, regarding the printing of the evidence which he gave. I am going to ask the clerk of the committee to read his letter. Then I will ask if you agree to the revision he suggests.

Mr. DRYSDALE: At what page of the evidence does it appear?

The CLERK: It appears at page 969. This letter is addressed to Mr. Fraser and is dated May 16, 1960:

Dear Sir,

I have just reviewed the transcript of testimony which I gave before your committee on May 10, 1960, and I note a serious error on my part.

I refer you to proceeding No. 15, page 969. In my reply to Mr. Browne's question dealing with the 1957 investigation of Jacques Cartier bridge employees, I answered that the four men in question were "dismissed", where, in fact, I fully intended to say that they had been "transferred".

Believe me sir, I in no way, meant to mislead the members of your committee by such a reply, and I trust that this letter will enable you to correct this testimony.

Yours very truly,

(Signed) Alfred Poole,
150 Regent Avenue,
Beaconsfield, Quebec.

The CHAIRMAN: Is it agreed that this revision be made?
Agreed.

The CHAIRMAN: No one opposed?

Thank you.

(See Corrigendum in second page of this issue.)

This morning we have with us Mr. R. K. Smith, former chairman of the National Harbours Board and also a former member of parliament. I will ask Mr. Smith to be kind enough to come up here, please.

Mr. PIGEON: Mr. Chairman, there are a few questions which I placed on the record at the last meeting. These were addressed to Mr. Côté.

The CHAIRMAN: We will have that when we come to the Victoria bridge.
Mr. R. K. SMITH—Sworn.

The CHAIRMAN: Gentlemen, have you any questions to ask Mr. Smith?

Are there any questions of Mr. Smith, gentlemen? Mr. Smith was asked to be called by the Hon. Mr. Chevrier.

Mr. CHEVRIER: That is right, Mr. Chairman. I would prefer to pass up the questions of Mr. Smith at this time.

Mr. HORNER (*Acadia*): I will ask some questions.

The CHAIRMAN: Mr. Horner and then Mr. Chown.

Mr. HORNER (*Acadia*): You may proceed, Mr. Chown.

Mr. CHOWN: Mr. Smith, would you tell this committee what period you were chairman of the harbour commission.

Mr. R. K. SMITH (*former Chairman, National Harbours Board*): I came in, I think, in June of 1940. I left there toward the end of 1954.

Mr. CHOWN: During the period you were chairman, was there any indication by anyone to you that there had been an awareness of certain irregularities in connection with the collection of tolls.

Mr. SMITH: Well, there were irregularities with respect to infractions of the rules; but there was no evidence that ever came before me to indicate there was anything more serious than infractions of the rules and regulations.

Mr. CHOWN: During part of the time you were chairman, Mr. Beaudet was the port manager or the assistant port manager.

Mr. SMITH: Yes. He was port manager for a very short time while I was there, and assistant port manager for four or five years.

Mr. CHOWN: During the time he was assistant port manager and port manager did he discuss with you at any time that there was some concern on his part that there were irregularities in connection with the toll collections?

Mr. SMITH: Well, we used to have frequent meetings in Montreal. The board would go down there. Mr. Beaudet would be there occasionally, but not always. The port manager, Mr. Murphy, was usually there. There were discussions concerning the infractions of the rules and regulations.

Mr. CHOWN: These are the infractions in respect of which you took disciplinary action.

Mr. SMITH: Yes. There were overages and shortages and other things in respect of which disciplinary action had to be taken with relation to these toll collectors.

Mr. CHOWN: Have you read the evidence to date?

Mr. SMITH: In the main, not all; but I think in the main so far as it concerns the national harbours board and the Jacques Cartier bridge.

Mr. CHOWN: Were you surprised when you read of the degree to which apparently there had been irregularities?

Mr. SMITH: Well, as I said before—when you speak about irregularities do you have reference to something that is taking place in Montreal in the court there?

Mr. CHOWN: No. I am speaking more of the apparent looseness of the administration. Did you draw that conclusion in respect of the Jacques Cartier bridge and the operations of it from the reading of the evidence?

Mr. SMITH: Well, of course I left there toward the end of 1954. But up until that time there was no indication of anything of a serious nature except the violation of the regulations which I mentioned. I do not want to make any statement about what happened after that.

Mr. CHOWN: During the time you held the office and following your retirement, were you at any time, or did you at any time receive threats of intimidation by phone or mail?

Mr. SMITH: No.

Mr. CHOWN: Did you hear stories of the grandiose style of living some of these toll collectors were enjoying?

Mr. SMITH: After I left the board?

Mr. CHOWN: Yes, or at any time during the time you were in office?

Mr. SMITH: No. I do not have any recollection of hearing anything of that kind?

Mr. CHOWN: You received no personal threat of intimidation by phone, mail or otherwise?

Mr. SMITH: No.

Mr. CHOWN: Following your retirement, or during the time you were in office?

Mr. SMITH: None whatever.

Mr. CHOWN: During the time you were with the harbours commission did you at any time discuss with anybody, or give consideration to, the installation of automatic toll collecting equipment?

Mr. SMITH: No. I do not think up until the time I left that there was anything on the market of an automatic nature that would be more than a cash register system. I think reference was made here by somebody to the fact that they investigated whatever improvements there were over the old system, and they found there was nothing except a glorified cash register. I think that evidence was given here by somebody.

Mr. CHOWN: As a result of these infractions of the rules, did you at any time discuss a more expeditious or a tighter and more efficient way of taking the tolls at the toll gates with the port manager? For example, the issuance of a ticket at one end and the collection of a receipt at the other end, and other methods such as that.

Mr. SMITH: I do not have any specific recollection of those points being discussed with the port manager; but I know that we were all concerned about the operation of the bridge. Frequent discussion took place about it when we had our board meetings in Montreal. It was left to the port manager to make whatever improvements in the system he could.

Mr. CHOWN: Did you make it a policy on your part to study the figures and the annual returns of the passengers and truck traffic, and so on, and analyse these figures to satisfy yourself as thoroughly as possible that everything was up and above board, especially in the light of the fact that these infractions of the rules had been taking place on a fairly consistent basis?

Mr. SMITH: As chairman of the board I made no statistical analysis of the ratio between passengers and automobiles; but what we looked at, and looked at very seriously and very consistently, was the revenue aspect of the operation. After all I might say this, if I can, Mr. Chairman, that when I first came to the board the net operating income of that bridge was something less than \$400,000. When I left there in 1954, the net operating income had increased over four times to over \$1½ million. There was a net income deficit in the bridge in 1940 of something a little over \$800,000. In 1954, that net operating deficit had turned into a net operating surplus of something a little less than \$600,000.

Now it is true that \$245,000 or \$250,000 of that was accounted for by a decrease in the interest rate on the capital from 5 per cent to 2¾ per cent, but the net operating deficit of \$800,000 had been turned into a net surplus of \$2¼ hundred thousand. So the financial aspect was one that we looked at.

Mr. CHOWN: Such an increase in revenue would lead you to believe the operation was generally satisfactory and efficient. Is that the conclusion you came to?

Mr. SMITH: It certainly had the appearance of a healthy condition, so far as we were concerned.

Mr. CHOWN: Of course there were the natural growth factors.

Mr. SMITH: Yes; but an increase of four times was quite considerable.

Mr. CHOWN: Was there a change in tariff during your regime?

Mr. SMITH: No; I do not think so.

The CHAIRMAN: Are there any further questions?

Mr. HORNER (*Acadia*): I believe there were three investigations during your regime. Were you, as board manager, ever consulted in respect of these investigations? Did the manager have to consult you before he called for an investigation?

Mr. SMITH: No, he did not.

Mr. HORNER (*Acadia*): It was not on your decision that the investigations were taken then?

Mr. SMITH: No.

Mr. HORNER (*Acadia*): But you did know of them?

Mr. SMITH: Oh, yes; he reported to us after the investigations were made.

Mr. HORNER (*Acadia*): But you, at no time, suggested they should have investigations more often, or anything like that?

Mr. SMITH: The question of the investigation was left in the hands of the court manager. He is the one that carried out the investigations—his own surprise, spot and verification checks, and he made the arrangements with the investigation bureau of the C.N.R. to carry out their investigation.

Mr. HORNER (*Acadia*): But at no time did you suggest to him that they should have further investigation?

Mr. SMITH: That is correct.

Mr. HORNER (*Acadia*): And were you not alarmed at the discrepancies that were found, or the lack of a clear cut policy with the tickets? What I mean is this. It did not seem to affect the toll collectors too much, when they were found with not tearing off the tickets or proceeding in the right manner. You never thought you should intervene at any time and say that they should have another investigation, or anything like that?

Mr. SMITH: I have no recollection of any distinct directions from the board for the port manager to carry on additional investigations. But, these questions were discussed frequently at board meetings, and the board members took the ground that everything within reason should be done to protect the public purse in the collection of these tolls.

Mr. HORNER (*Acadia*): Well, in the investigations in 1952, out of 75 crossings, irregularities were found in 58 of them, in one way or another. At any of these meetings, did anybody ever estimate the amount of money they were losing, or think that the amount was very high at all?

Mr. SMITH: Well, outside of the shortages of which the individual toll collectors were guilty, and for which they were disciplined, there was no evidence brought to our attention of any serious amount of money escaping from the operation of the bridge.

Mr. HORNER (*Acadia*): Were you consulted with whenever the port manager wanted to take on more help, or hire more help? Were you consulted, or was this directly up to the port manager?

Mr. SMITH: Up to the port manager. We were not consulted.

Mr. HORNER (*Acadia*): The harbour board officials were not consulted?

Mr. SMITH: You mean the appointment of toll collectors?

Mr. HORNER (*Acadia*): I mean the appointment of toll collectors, or the hiring of administrative help, with regard to the toll collectors. In these cases the harbour board officials were not consulted?

Mr. SMITH: No; that was up to the port manager.

Mr. HORNER (*Acadia*): The port manager had the full responsibility of the number of men he wanted working for him?

Mr. SMITH: Yes.

Mr. HORNER (*Acadia*): And fired and hired them, as he saw fit?

Mr. SMITH: Well, he hired them as he saw fit, but I think there is some question about firing employees.

Mr. HORNER (*Acadia*): That was quite a difficult thing.

Mr. SMITH: I think he could discipline but, in connection with the firing, I think he had to get the boards authority.

Mr. HORNER (*Acadia*): You stated you were aware of some discrepancies going on with the toll collections, and that you were aware of the investigations made. Am I right in that?

Mr. SMITH: We were aware of the investigations made, and we were aware that certain toll collectors were violating the regulations.

Mr. HORNER (*Acadia*): Did you, at any time, take this question to the Minister of Transport?

Mr. SMITH: No.

Mr. HORNER (*Acadia*): You never thought it was a serious enough infraction?

Mr. SMITH: No. We felt it was a detail operation.

Mr. HORNER (*Acadia*): And that it could possibly be cleaned up?

Mr. SMITH: Yes. It was never taken to the minister by me—to any minister; and I served under five of them, I think.

Mr. HORNER (*Acadia*): That is quite a few. You mentioned this morning, in answer to a question by Mr. Chown, something about the debt and your cash arrangements, and the decision to increase the interest—or, the effect of increasing the interest from $2\frac{3}{4}$ per cent to 5 per cent. Would you explain that more fully, what you imply by that?

Mr. SMITH: When the question of the bonds on the bridge and I think this has been put before the committee previously pretty well—when the government decided to redeem the bonds that were outstanding—around \$20 million—the interest on those bonds was 5 per cent. Well, when the government redeemed the bonds and paid them off, the interest charges against the account of the National Harbours Board was reduced from 5 per cent to $2\frac{3}{4}$ per cent.

Mr. HORNER (*Acadia*): I understand now what you mean. This was a savings to the Jacques Cartier bridge—quite a substantial saving.

Mr. SMITH: Yes, \$240,000 or 250,000 a year, I think it was.

Mr. HORNER (*Acadia*): I have no further questions.

The CHAIRMAN: Mr. Drysdale.

Mr. DRYSDALE: Mr. Smith, during your time in your position with the harbours board, what was your responsibility with reference to the Jacques Cartier bridge? We have had previous testimony by some of the other members of the board that they concentrated on certain aspects of the harbour board operations. Did the Jacques Cartier bridge come within your centre of concentration?

The CHAIRMAN: Before you answer, Mr. Smith, I would ask Mr. Drysdale to speak a little louder.

Mr. DRYSDALE: Well, as long as Mr. Chevrier won't accuse me of browbeating the witness, if I raise my voice.

Mr. CHEVRIER: If he speaks a little louder, I will not do that.

Mr. DRYSDALE: Did you hear the question?

Mr. SMITH: I think I understood it, Mr. Drysdale.

All our operations were given, I think, the same amount of serious application and serious attention. There was no one operation that received more consideration than the others.

Mr. DRYSDALE: You are an engineer, by trade?

Mr. SMITH: No, I am not. However, I would like to say this. Perhaps, there was a little more attention required, so far as the Jacques Cartier bridge is concerned, because, as has been stated here frequently, the fact that the deficit was up to a certain specified amount each year, was an obligation, not only of the board and the government, but also of the province of Quebec and the municipality of Montreal. So, there was not only an obligation toward the government, so far as the operation of the bridge is concerned, but in some respects, to the provincial government and the municipal as well.

Mr. DRYSDALE: Well, would it be fair to say then, Mr. Smith, that you relied on the administrative reports from the various port managers, and that the basis of the supervision by the harbours board was the reports that you had from the port manager?

Mr. SMITH: Yes, I think that is fair.

Mr. DRYSDALE: I want to be perfectly fair and not make any suggestions, because I know Mr. Chevrier will be quite worried if I was to be intimating too much.

Mr. CHEVRIER: I am sorry; I did not hear that.

Mr. DRYSDALE: You will have to read it in the transcript.

In other words, you did not make any direct checks, yourself, in connection with the administration, or any direct supervision as to the checks that were made on the toll collectors?

Mr. SMITH: No, we relied on the operator—the port manager, for those details.

Mr. DRYSDALE: Were you aware, Mr. Smith, that checks were made by the C.N.R. investigation officers on the Victoria bridge every year?

Mr. SMITH: I presume that we were—certainly now, having read the evidence; but I presume we were aware of that at the time.

Mr. DRYSDALE: Well, the difficulty I have had throughout is to establish this degree of liaison between the National Harbours Board and the port manager, as to this matter of the checks by the Canadian National Railways. Was the situation, in a sense, that you assumed the port manager was worrying about it, and he assumed the person below him was worrying about it.

Mr. SMITH: As far as we were concerned, we held the port manager responsible for the operation of the bridge, which included the investigations and the checks, and whatever other means were taken to help protect the revenues coming into that bridge.

Mr. DRYSDALE: Well, in 1952, Mr. Smith, there was an investigation made by the C.N.R. officials, and at page 93 of the report—and I have already stated this to Mr. Murphy, and would like to state it to you—it says:

In reporting to the board on this investigation, the port manager stated that he would prefer to obtain additional evidence in respect of the toll collectors concerned, and also broaden the investigation to cover other toll collectors.

Do you remember what was done in this specific situation, with regard to that investigation?

Mr. SMITH: I remember the investigation in 1952, and it has been brought out in evidence here what additional verification and checks were made after that, and the frequency of surprise and spot and other checks were taken. But, so far as the board was concerned, here in Ottawa, there is nothing that we felt we were expected to do except to leave the matter in the hands of the port manager, for his further attention.

Mr. DRYSDALE: You never recommended, or you never inquired, after his recommendation, that there should be a further investigation? You never inquired as to whether or not there were further investigations by the C.N.R. or the R.C.M.P. for example?

Mr. SMITH: No. In my time, the last investigation that was made before I left there, was 1952, by the C.N.R.

Mr. DRYSDALE: Yes, but in the 1952 report, Mr. Murphy had recommended that there should be further investigations. I think the basis he said, on his evidence, was that he did not think there was sufficient evidence under the agreement that they had, to proceed with action against these men on that basis. Therefore, he thought there should be further investigations. I was wondering if that was followed up at all?

Mr. SMITH: Well, I think it was followed up by Mr. Murphy. I do not recall of any distinct specific recommendation Mr. Murphy made to the board that the board should direct or instruct him to proceed with investigations. I think what Mr. Murphy had in mind, and reported to the board, was that further investigations ought to be made, and the board assumed that he would make them.

Mr. DRYSDALE: You were, at that time, quite content with the investigations that were made by Mr. Murphy's own harbour police, as to those further irregularities? As I understand it, that was the only check that was made.

Mr. SMITH: Yes; I would not want to give the impression that we were entirely satisfied that there was not anything irregular there so far as toll collectors violating the regulations was concerned. That is acknowledged and—

Mr. DRYSDALE: In view of Mr. Murphy's recommendation—and I realize it has been perhaps quite a few years—

Mr. SMITH: Yes.

Mr. DRYSDALE: —would it not appear logical that there should have been a follow-up by the C.N.R. investigation service, or the R.C.M.P., in the line with Mr. Murphy's recommendations?

Mr. SMITH: I do not think so, because if there had been any substantial evidence of dishonesty and funds of the bridge being directed into channels other than the channel they should have been directed in, then I think there would have been very good and sufficient grounds for further investigations by the R.C.M.P., or by the C.N.R. investigation bureau, or perhaps some other source.

But we looked upon these infractions and investigations that followed them as a matter of operational detail, or disciplining the toll collectors, and perhaps removing them, or changing them to other positions. But there was nothing that ever came to the board, in my time, to justify other than disciplinary action.

Mr. DRYSDALE: Then would it not be fair to say that the attitude of the board throughout the period that you were associated with it was that any investigations, or any looking into the matter of toll irregularities, was the responsibility of the port manager to initiate and to follow up; and that you, in essence, merely—I should not say "merely": you, in essence, accepted his

reports and at no time suggested to him further investigations, or perhaps more detailed investigations of the C.N.R. or the R.C.M.P., or even investigations by his own police force? It was left entirely in his hands, then?

Mr. SMITH: It was left entirely in his hands, except this: that when we had the board meetings—I think I am repeating myself a bit—all the board members agreed, and the port manager agreed too, that a very close check should be taken on the infractions by the toll collectors, and every effort made to get them in line and keep the bridge going properly.

Mr. DRYSDALE: Mr. Smith, was this series of irregularities, first by the C.N.R., and the investigations by the port manager—at least, the National Harbours Board police, on behalf of the port manager—were these investigations ever drawn to the attention of any of the five ministers that you operated under?

Mr. SMITH: Not by me.

Mr. DRYSDALE: Do you know if they were drawn to the attention of the ministers by any of the other members of the National Harbours Board?

Mr. SMITH: I would not know definitely, but my own opinion would be that they were not.

Mr. DRYSDALE: You never met with any of the ministers and discussed this problem at all?

Mr. SMITH: No.

Mr. DRYSDALE: Which might have seriously affected—could potentially affect the revenue of the bridge?

Mr. SMITH: No.

Mr. DRYSDALE: Was there any reason for not discussing it?

Mr. SMITH: With the minister?

Mr. DRYSDALE: Yes.

Mr. SMITH: As I said before, we accepted it as an operational detail.

Mr. DRYSDALE: Was it drawn to your attention, Mr. Smith, that in the various investigations by the C.N.R. there were no investigations as to trucks?

Mr. SMITH: I did not catch the last word.

Mr. DRYSDALE: Trucks—that the investigations were just investigations of passenger cars?

Mr. SMITH: Oh, trucks?

Mr. DRYSDALE: Yes.

Mr. SMITH: I do not recall; I do not remember exactly.

Mr. DRYSDALE: But to your memory, Mr. Murphy, nor any of the other port managers, ever directed to your attention the fact that the investigations—the C.N.R. investigations—were concentrated on the passenger cars? In fairness, I believe there were one or two attempts made to check trucks; but I do not think we have any complete report of that on the record.

Mr. SMITH: I do not recall anything in that connection, Mr. Drysdale; but I just seem to have in my mind that there was some evidence given here that trucks were very hard to investigate, although I—

Mr. DRYSDALE: Yes, that evidence was given. But I was wondering, in relationship to the time when you were on the National Harbours Board, whether that problem came up and was discussed?

Mr. SMITH: No, I do not think so.

Mr. DRYSDALE: Fine, thank you.

The CHAIRMAN: Mr. Pigeon.

Mr. PIGEON (*Interpretation*): Mr. Smith, during your term of office, did you ever receive letters of recommendation from Members of Parliament, or from ministers, to engage, or hire, toll collectors?

Mr. SMITH: I do not recall any recommendations from ministers or Members of Parliament. I do not want to give the impression that correspondence did not come to the office, as there may have been a rare occasion when somebody telephoned on behalf of the employment of a toll collector. But I have no recollection of any.

Mr. PIGEON (*Interpretation*): Did you ever receive telephone calls from a minister, or from a Member of Parliament, asking you to reconsider the dismissal of a toll collector?

Mr. CHEVRIER: On a point of order, Mr. Chairman: I think we should first of all find out whether there were any dismissals while Mr. Smith was there.

The CHAIRMAN: Perhaps Mr. Smith could answer that question now. Were there any dismissals?

Mr. PIGEON: Mr. Chevrier, if you want to place a question, it is your right.

Mr. CHEVRIER: This is a point of order that I raised, Mr. Pigeon. I think before you ask the witness that question, we should find out whether there were any dismissals during his time.

Mr. PIGEON: Sure. I have the list here in the book. Page—

The CHAIRMAN: It is in the evidence at page 4, I believe.

Mr. PIGEON (*Interpretation*): I cannot find the page at the present time; but I noticed a while ago that some toll collectors had been dismissed by reason of irregularities. That is why I come back to my original question and ask whether, as a result of these dismissals, any minister, or ministers, or Member of Parliament, or Members of Parliament, came to you to request reconsideration of the case of the toll collector?

Mr. SMITH: No, I have no recollection whatever of anybody approaching me in that connection.

Mr. PIGEON (*Speaking in French*) . . .

Mr. CHEVRIER: The witness has already answered that question, of Mr. Horner or Mr. Drysdale.

Mr. PIGEON (*Interpretation*): Did it come to your ears at any time that there might have been rumours relative to the high standard of living of any toll collectors, or that there were rumours which might have been prejudicial to the interests of the public?

Mr. SMITH: Did I hear any rumours? There was no evidence that ever came to my attention; and you would have to have some evidence, it seems to me.

Mr. PIGEON: You never received a phone call, or letters?

Mr. SMITH: I do not ever recall. I am quite satisfied that I never did.

Mr. PIGEON (*Interpretation*): Are you ready to say that any irregularities, or a lack of proper supervision, brought about any loss in revenue?

Mr. SMITH: Will you repeat that, please?

The INTERPRETER: "Are you prepared to say that any irregularities, or lack of proper supervision, brought about any loss in revenue?"

Mr. SMITH: Well, that is a very difficult question to which to give a specific answer. I am not in a position to say that there was no loss of revenue. I do not know that. All I can say is that we did our best to protect the revenue of the bridge.

Mr. PIGEON (*Interpretation*): Were there any suggestions from the ministers of transport at the time, relative to ways of improving toll collections, so as to avoid as much as possible irregularities in this connection?

Mr. SMITH: Well, there were no suggestions, because as far as I was concerned, when I was there, these matters were not discussed with the minister.

Mr. PIGEON (*Interpretation*): In previous sittings it has been stated that the increase in revenue as a result of the installation of automatic equipment was about 35 per cent. Do you not find that at first sight this seems to indicate that there might have been a loss in revenue due to certain toll collectors who might not have done their job properly?

Mr. SMITH: I do not think I should be asked to answer a question like that. It is theoretical, and I would not be able to answer it anyway; and I do not think I want to express an opinion on that question. I have been away from the board for nearly six years.

Mr. PIGEON (*Interpretation*): Did you yourself ever make any recommendations with a view to improving the toll collection system, either to the National Harbours Board or to the minister?

Mr. SMITH: Well, no recommendations were made to the minister, as I answered Mr. Drysdale. We discussed the question of irregularities frequently with the port manager, and requested him to take whatever steps he thought desirable and reasonable to protect the public interest on the bridge.

Mr. PIGEON (*Interpretation*): When you discussed these irregularities with the officials of the board, was there also a discussion of the loss in revenue which could have been entailed as a result of these irregularities?

Mr. SMITH: What we discussed with the port manager was infractions of the regulations and at times there were shortages, because of the individual infractions of the toll collectors—and suggested he took whatever means he thought reasonable and desirable to protect the public interest.

There was no evidence that came to us of any amount of money outside of the shortages that were mentioned and brought out in evidence here, to warrant us to take any further action.

Mr. PIGEON (*Interpretation*): Did it often happen that at the end of a shift or a day's work the toll collector would be searched personally?

Mr. SMITH: Well, I think some evidence has been given here that somebody in authority told them that it was a little dangerous to adopt that procedure.

At the end of their shift they had to turn in their money and any unused tickets. I do not know if there was any searching part to it. That would be a matter I would not be too dogmatic about, because I do not recall it exactly.

The CHAIRMAN: When you answer, please do not speak about what appeared in the evidence. Just give us what you know.

Mr. SMITH: Thank you, Mr. Chairman.

The CHAIRMAN: Are there any other questions?

Mr. CHEVRIER: I have one or two questions. May I ask you concerning the annual report of the National Harbours Board as well as the statement of expenditures, the balance sheet, concerning the Jacques Cartier bridge: those were tabled in the annual report in the House of Commons each year, were they not?

Mr. SMITH: That is right; they have to be, under the act.

Mr. CHEVRIER: Would there be anything in those reports which would indicate any irregularity with reference to the Jacques Cartier bridge?

Mr. SMITH: No. In the report you will find a statement on the Jacques Cartier bridge, and the number of vehicles which crossed it, the revenue, and other details. I think it was pretty well confined to that, with a financial statement.

Mr. CHEVRIER: My purpose in asking you the question is that some questions were asked the other day concerning these reports and as to whether or not irregularities would show up in them. That is the reason I asked you the question, and you said no, that nothing of that nature would appear in the reports that were tabled annually in the house.

Mr. SMITH: That is correct.

Mr. CHEVRIER: May I ask you one or two more questions with reference to the internal checks. There was, was there not, within the National Harbours Board a treasury officer who was there to check the revenues and expenditures of the National Harbours Board?

Mr. SMITH: The Department of Finance through the comptroller of the treasury did the accounting there. In addition to that there was the auditors' representative as well.

Mr. CHEVRIER: Was anything ever brought to your attention by that treasury board check or by the auditor, concerning shortages on the Jacques Cartier bridge?

Mr. SMITH: I do not recall any. I do not think there was any, and if there was, I cannot remember them.

Mr. CHEVRIER: May I ask you a question about the financial structure, the capital debt, and the deficit debt on the Jacques Cartier bridge. There has been some concern at earlier meetings about the cost of the bridge, and the fact that it was not reduced very fast.

Have you any explanation to give for the reason why the amount of capital expenditure was not reduced as fast in the earlier years as it was in the later years?

Mr. SMITH: Well!

Mr. CHEVRIER: Let me put it this way: is it not a fact that in the earlier years there was a considerable deficit?

Mr. SMITH: Oh yes, very definitely.

Mr. CHEVRIER: And as you have already stated, a short time after you arrived as chairman of the National Harbours Board not only did the number of cars crossing the bridge increase, but also the revenue increased.

Mr. SMITH: That is right.

Mr. CHEVRIER: And the net operating income was greater during the time that you were there as chairman than it was prior to that time?

Mr. SMITH: Oh yes. I gave the figures here a few minutes ago.

Mr. CHEVRIER: Yes. The point I am coming to now is this: of this operating income was it all applied in reduction of the capital debt, or was some of it applied to improvements?

Mr. SMITH: Well, all capital expenditures had to be voted by parliament.

Mr. CHEVRIER: Did you see this statement that was tabled here by a former predecessor of yours?

Mr. DRYSDALE: Is it in the evidence?

Mr. CHEVRIER: Yes; it is a statement entitled "Jacques Cartier bridge, statement of financial structure, capital debt, and deficit debt." It was filed at the second or third meeting, and it was prepared by harbours board officials.

Mr. SMITH: Yes, I saw that.

Mr. CHEVRIER: Well, the point I am getting at is this: I am trying to get you to explain, if you can, the concern that existed in the earlier part of these

meetings about the fact that the capital debt of the bridge seemed to be reduced very quickly. Have you any explanation to offer for that, having regard to the statement, and to your own experience?

Mr. SMITH: Well, there were two debts; there was the capital debt so called, on the bridge, and then there was the deficit debt.

Mr. CHEVRIER: You say the capital debt, and what else?

Mr. SMITH: The deficit debt. Now, the capital debt was retired by the government, but the deficit debt, of course, remained, and I think increased to some extent up until a certain period, and then there was a reduction. Offhand I cannot just say. I understand that in another seven years, I think it is, the total debt will be retired, but I am not sure about the seven year period. But in a short period of years the total debt of the bridge will be extinguished.

Mr. CHEVRIER: I think Mr. Marler at the last meeting, or some other witness, said something about writing off the deficit debt. Did the National Harbours Board ever write off debts, deficit debts, on other of its operations, its port operations, for instance? Do you remember?

Mr. SMITH: Well, I do not recall any write-offs. I am a little bit concerned in connection with that question to know just what authority we would have to do that, without the consent of the Department of Finance.

Mr. CHEVRIER: Yes, I agree. But did you make any recommendations to the government concerning the write-off of a deficit debt, or of interest on port facilities other than the Jacques Cartier bridge? Do you remember?

Mr. SMITH: At some time—I do not remember, although I would not want to say that there is any, but I cannot recall it at the moment.

Mr. CHEVRIER: That is all. Thank you, Mr. Chairman.

The CHAIRMAN: Are there any other questions?

Mr. DRYSDALE: I have one or two questions following on what Mr. Chevrier has said. Mr. Chevrier mentioned the fact that there were annual reports prepared each year, and there was no evidence in them of any irregularities. But is it not true that up until 1954 there was an annual budget which you had to prepare and submit to the minister?

Mr. SMITH: That is right.

Mr. DRYSDALE: And in the course of submitting that annual budget, was there any detailed analysis given as to the financial structure, or actually as to what was going on in connection with the Jacques Cartier bridge? In other words, the National Harbours Board would be in Ottawa here to present that annual budget to the minister directly?

Mr. SMITH: Yes.

Mr. DRYSDALE: And you would discuss the annual budget with the minister?

Mr. SMITH: Well, we certainly would discuss the estimates, the preparation of the estimates, because the capital had to be voted; and those estimates were discussed with the minister, I think, mostly by the member of the board who gave more attention to financial matters than did the other two members.

Mr. DRYSDALE: Perhaps I could draw your attention to this, Mr. Smith. Under the National Harbours Board Act—and I cannot remember the section—section 60, is it, Mr. Chevrier?

Mr. CHEVRIER: That is the one that was repealed.

Mr. DRYSDALE: Mr. Chevrier very kindly drew to my attention the fact it had been repealed in the 1953-54 session. I think the date of assent was in June, which would be about the time Mr. Chevrier finished as Minister of Transport. Prior to that time there was a requirement that an annual budget be presented to the minister?

Mr. SMITH: Yes.

Mr. DRYSDALE: At that time you would have the opportunity to discuss the Jacques Cartier bridge budget in detail with the minister?

Mr. SMITH: No, I do not think it was done quite that way. This budget was prepared and sent to the minister. I do not recall any extended discussions on the budget. There was some of the estimates, but on the budget I do not remember any.

Mr. DRYSDALE: Your budget was accepted every year, without any complaint, by the minister: whatever you wanted he gave you?

Mr. SMITH: I think that is right, in the main.

Mr. DRYSDALE: Very generous!

One other point, Mr. Smith: Mr. Chevrier mentioned about the treasury officers investigating into the Jacques Cartier bridge. Were the treasury officers in a position where they could ascertain, if there were no receipts, if money had gone astray or if there were other irregularities? Would they be in such a position, to find that out?

Mr. SMITH: I do not think so. I think, mainly, theirs was the handling of the cash, protecting the money.

Mr. DRYSDALE: They would not be in a position to know whether or not everybody going over the bridge had made a payment; or as to whether every toll collector returned all the money back?

Mr. SMITH: No.

Mr. DRYSDALE: They had bags of money for them, and they could ascertain, by the receipts and the money before them, the amount of money turned in for that particular period?

Mr. SMITH: Yes.

Mr. DRYSDALE: It was a verification they had, after they had gone through the toll collectors' hands, or the supervisors', or whatever immediate officer; but they would not be in a position to ascertain whether any money had gone astray?

Mr. SMITH: I do not think so. I think if there were any flagrant violations in that regard, being on the spot they would be in a pretty good position to know something about it. But I do not think it was part of their obligation.

Mr. DRYSDALE: Duty?

Mr. SMITH: Or duty.

The CHAIRMAN: Any other questions?

Mr. CHEVRIER: The annual budget, Mr. Smith, which was prepared by the National Harbours Board and submitted to the minister for approval, was the annual budget of the National Harbours Board?

Mr. SMITH: Yes, of the board.

Mr. CHEVRIER: Not the annual budget of the Jacques Cartier bridge?

Mr. SMITH: No everything.

Mr. CHEVRIER: There would be, in that budget of the National Harbours Board, certainly nothing at any time which would indicate shortages, if any existed on the Jacques Cartier bridge?

The CHAIRMAN: No. Is that your answer Mr. Smith?

Mr. SMITH: Yes.

Mr. DRYSDALE: But Mr. Chevrier gave you whatever you requested in the budget anyhow, did he?

Mr. SMITH: Yes.

Mr. HORNER (*Acadia*): What showed up in this budget, that was the total annually.

I notice on page 643 that Mr. Clement made this statement—he is speaking of early in January, 1957:

I saw that the revenues from tolls were lower than the same figures for 1956. So I started to think what could have been happening at the bridge.

Would these revenue figures have shown up in the annual budget which was presented?

Mr. SMITH: In 1956 and 1957 I was not there.

Mr. HORNER (*Acadia*): No, I know that this particular time does not correspond with your time there; but would the revenue figures have shown up in your budget that was presented to the minister while you were there?

Mr. SMITH: I am not quite sure about that. I would have to make a bit of a guess on that. I think they would, but I am not positive about it.

Mr. HORNER (*Acadia*): I just wondered, because I just do not know what would show up in the budget, other than your demands for money.

Mr. SMITH: Yes, our demands for money would be there.

Mr. HORNER (*Acadia*): But I would also think you would have to present some kind of reasons for your demands for money; and that you would have to show your expected expenditures, your expected revenues and your past revenues, would you not?

Mr. SMITH: That may have been there. I cannot remember exactly what was in that prepared budget, but it might well have been there.

Mr. HORNER (*Acadia*): Am I led to believe that since this amendment in 1953-54 this budget no longer has to be presented?

Mr. SMITH: Yes, it is my understanding.

The CHAIRMAN: Any other questions, gentlemen?

Mr. BROWNE (*Vancouver-Kingsway*): Was there any repayment of the debt on the bridge in your term of office? Is that when they started to repay the capital debt on the bridge?

Mr. SMITH: The capital debt was paid off, I think, in 1949 or 1950.

Mr. BROWNE (*Vancouver-Kingsway*): There was a re-financing of the bridge, but subsequent to that some of the capital debt was paid off.

Mr. SMITH: Yes.

Mr. BROWNE (*Vancouver-Kingsway*): Was that in your term of office?

Mr. SMITH: Yes, I think it started around 1952, or along there somewhere.

Mr. BROWNE (*Vancouver-Kingsway*): There is one point I had raised before which I was rather interested in. There were two debts on the bridge: there was the deficit debt; and the capital debt. The deficit debt carried an interest rate of 5 per cent, and the capital debt carried an interest rate of $2\frac{3}{4}$ per cent. I was wondering why it was decided to pay off the debt on the lower rate of interest rather than the debt on the higher rate of interest.

The CHAIRMAN: I believe that was answered the other day.

Mr. DRYSDALE: Mr. Smith has not answered it yet.

The CHAIRMAN: No, but it was answered the other day.

Mr. CHOWN: Mr. Marler gave a suggestion.

Mr. SMITH: So far as the National Harbours Board was concerned with regard to the interest on the debt, we accepted the rates that were fixed by the government. When the government advanced money to pay off the bonds in respect of fixing the old rate of 5 per cent, which we had paid on our obliga-

tions prior to that, they reduced the amount to $2\frac{3}{4}$ per cent. They paid the bond holders the total amount of the bonded debt, on which we had been paying 5 per cent. They paid that off, and then they said to us, "Now, you will have to pay interest on that, but the interest will be reduced from 5 to $2\frac{3}{4}$ per cent."

Mr. BROWNE (*Vancouver-Kingsway*): I understand that. That is the re-financing operation on the bridge; and that part is clear. But after that had been accomplished, the bridge was faced with two debts: it was faced with the deficit debt; and it was faced with the capital debt. The capital debt was financed at $2\frac{3}{4}$ per cent by the government, and the deficit debt was being carried at a rate of 5 per cent. When the bridge found itself in a surplus position and was able to make a repayment of the money, I would like to know why it would not have been wiser to pay off the debt at the rate of 5 per cent, because interest was mounting up a great deal faster at 5 per cent than at $2\frac{3}{4}$ per cent.

Mr. SMITH: I cannot answer that question. I think it is involved with the Department of Finance, and I would not have the answer to that.

Mr. BROWNE (*Vancouver-Kingsway*): You do not recall in what form the debt was?

Mr. SMITH: No.

Mr. BROWNE (*Vancouver-Kingsway*): Was it in bonds?

Mr. SMITH: No, the only thing I remember about it is what I have spoken about already.

The CHAIRMAN: Any other questions, gentlemen? If not—if there are no more questions for Mr. Smith—we will thank Mr. Smith for being a witness. We will now call on the Victoria bridge officials, Mr. Côté and Mr. Henderson, who I understand have some answers to questions that were asked at the last meeting. Mr. Mills, the comptroller, could also come up here.

Mr. SMITH (*Simcoe North*): Mr. Chairman, just before we start with Mr. Côté, could I put in a request, before the committee winds up its hearings in this matter—which will likely be shortly—that Mr. Archer supply us with the revenue figures for the bridge for January, February, March and April, 1960?

The CHAIRMAN: I spoke to Mr. Archer this morning regarding that. Mr. Archer, did you hear that question?

Mr. DRYSDALE: We had better have May and June too!

The CHAIRMAN: Mr. Smith has asked a question, Mr. Archer, regarding the revenue.

Mr. MAURICE ARCHER (*Chairman, National Harbours Board*): I am sorry, but I was talking at the time.

Mr. SMITH (*Simcoe North*): I would like the revenue figures for January, February, March and April, 1960. We hope to be finished before the end of May.

The CHAIRMAN: Could you have those figures ready for us, Mr. Archer? Could we have them on Tuesday, if possible, or at any subsequent time? Perhaps you would let the Clerk of the Committee or myself have them?

Mr. DRYSDALE: Could not we have them at the conclusion of the hearings?

The CHAIRMAN: You let the Clerk or myself have them, and then they can be passed on to the committee.

Mr. ARCHER: I can let you have them this afternoon or tomorrow morning. (*For said revenue figures, see Appendix "A" hereto.*)

The CHAIRMAN: Thank you very much, Mr. Archer.

Questions were asked of Mr. Côté and Mr. Henderson by Mr. Pigeon. I think Mr. Pigeon asked one or two questions.

Mr. LIONEL CÔTÉ (*Assistant General Solicitor, Canadian National Railways*): First, I would like to refer to Mr. Pigeon's question which appears at page 990 of the proceedings of May 12, which is proceedings No. 16. At that page Mr. Pigeon refers to the note to editors that had been issued by the Canadian National Railways. That note to editors is reproduced at pages 988 and 989.

As to that note, Mr. Pigeon said that the percentage increases in revenue referred to in that document were false and misleading. Well, that perhaps is a little strong language, in the light of Mr. Henderson's explanation, given at page 989, to the effect that in that note to editors what was given was the revenue for comparable periods during which traffic conditions on the bridge were equal. The comparable period used for the three years, 1957, 1958 and 1959, was the month of November. And if you look at appendix "D", which is at page 1032—which deals with toll revenue—you will note, looking at the month of November, that the percentage increases given under the note to editors is well supported.

It appears that the difficulty, or the misunderstanding, between that statement to editors and what Mr. Pigeon says is that the comparison or the percentage increases which appear in the note to editors is perpetuated on the revenue statement. Whereas Mr. Pigeon, instead of that, he uses the exhibit which appears at page 868, No. 14 of the proceedings, which gives the vehicle crossings across the bridge. If you deal with percentages, as to vehicle crossings, you do not get the same result, actually, as you do in dealing with revenues.

At page 990 Mr. Pigeon also asked why in the month of August and September the vehicle crossings, in 1959 compared to 1958, showed an increase of 23.5 and 19.35 per cent increase respectively, on account of the fact one of the two lanes was closed in 1958—why there was not a similar increase of about 20 per cent for the month of May, when the two lanes were open.

In that statement giving vehicle crossings, in May, 1959, that shows a decrease of 4.66 per cent compared with May, 1958.

One of the factors for that decrease, among others, is that during the month of May, 1959 the downstream traffic was closed from May 19 to the end of that month. But, of course, these variations in percentages, in so far as vehicle crossings are concerned, do not destroy, I believe, the validity of the percentage increases in that note to editors, which has been filed.

Now I come to page 994 of the proceedings, No. 16. At that page, and up to page 999 of the proceedings, there was a number of questions asked by Mr. Drysdale, dealing with the tariff changes of 1956 and 1957. Mr. Drysdale wanted to have particulars of the meetings between the railway and the National Harbours Board, when the tariff changes had been discussed, and also dates of orders-in-council approving of the new tariffs.

In a moment Mr. Henderson will give you particulars of the various meetings which took place from 1955 on. So far as I am concerned, I would like to deal only with the question of the approval of the tariff and issuance of orders in council, because that part of the procedure was in the hands of the law department of the railways. Initially, I should point out that in so far as the Victoria bridge is concerned, the initial bridge which had been completed in 1859 had no facilities for highway traffic. There was on it only one single railway track. It is only in 1898 when the reconstructed bridge was opened to traffic that there were two brackets attached to the main structure to be used by vehicles. The initial statute authorizing the construction of the Victoria bridge gave to the Grand Trunk railway the right to have facilities for highway traffic and to charge tolls therefor; but that provision of the original statute came into force only after 1898. It is only in 1900, at the time of the granting by the government of a subsidy of \$500,000 towards the reconstruc-

tion of the bridge, that the government put as a condition in the statute that the tariff of tolls for the vehicular part of the bridge would have to be approved by the governor in council. That statute was passed in 1900. That is why, as appears from the compilation of the tariff filed in the proceedings, it is in 1900 that we received the first order in council approving the first tariff on the Victoria bridge.

I should mention also that in so far as the railway company is concerned there are two legal requirements to be met in respect of the operation of the vehicular portions of the Victoria bridge. The first is in respect of tolls. As I have mentioned, the tolls to be charged on the Victoria bridge have to be approved by the governor in council. Another requirement is that the traffic conditions such as the speed limit, the weight and the size of the vehicles, has to be approved by the governor in council under section 293 of the Railway Act. You will appreciate, the Victoria bridge, being primarily a railway bridge, that the board of transport commissioners has some authority and jurisdiction as to the question of the security of that railway facility. So that the traffic regulations on the bridge are under that section of the Railway Act, enacted initially by a bylaw of the railway and that bylaw of the railway is submitted to the board of transport commissioners for its concurrence and thereafter is submitted to the governor in council for an order in council.

Mr. DRYSDALE: I am sorry to interrupt. The board of transport commissioners, of course, have no supervision over the tolls or the tariff on the bridge.

Mr. CÔTÉ: No. So we see that through the years most of the time when we go to have a new tariff of tolls approved by the governor in council, on most occasions we have also a submission on changes in regulations which also has to go to the governor in council through the board of transport commissioners.

Now we come to the year 1955. In 1955 the tariff in force was the one which is reproduced as Appendix "A" at page 891 of proceedings No. 14. That is the tariff which was in force at the time the negotiations started between the office of the port manager in Montreal and the railway officers, as to the streamlining and simplification of that tariff in order to facilitate the traffic on the bridge. The negotiations, the particulars of which Mr. Henderson will give you in a moment, led up to agreement between the port manager's office and the railway on a new tariff. That new tariff in 1956 came to the law department of the railway to follow the necessary procedure of having the new tariff approved. As a first move it went to the board of directors of the company and was approved by them on May 31, 1956. At that time there was also a new set of regulations which were approved by the company on the same date as the bylaw of the company. The tariff of 1956 affecting the Victoria bridge went from the law department to the department of transport on June 26, 1956. And then there was some exchange of correspondence as to the wording of the tariff; and we had to consider some suggestions that had been made by the privy council office. That was settled, and on August 29, 1956 the tariff of tolls was approved by order-in-council P.C. 1956/1319.

I should mention that this tariff of tolls has no reference to tokens. This tariff had been devised as the parties were then contemplating continuation of the use of paper tickets.

Mr. DRYSDALE: Mr. Côté, you said that on May 31, 1956 the new tariff was sent to the C.N.R. board of directors for approval?

Mr. CÔTÉ: Yes.

Mr. DRYSDALE: That would indicate that at that time there had been an agreement between the C.N.R. and the National Harbours Board?

Mr. CÔTÉ: Not necessarily with the National Harbours Board, but it would be with the port manager or with the port manager's office.

Mr. DRYSDALE: Well, in other words, you were not sending it to the board of directors to have it approved, if the National Harbours Board or their officials were in disagreement?

Mr. CÔTÉ: No, and Mr. Henderson will give you the exact date as to when agreement came.

Mr. CHEVRIER: What was that date you mentioned, Mr. Drysdale?

Mr. DRYSDALE: May 31, 1956 was the date Mr. Côté said the C.N.R. board of directors had approved the new tariff.

Mr. CÔTÉ: Shortly after that tariff of the C.N.R. was approved, there was a request coming to the railway from the harbours board to suspend the putting into force of that tariff as they were not, at that time, ready for theirs, and they would prefer that the two tariffs should come into effect at the same time.

As to the reasons why the harbours board were not ready at that time, we do not know exactly. I understand it was tariff problems, but in so far as we are concerned it would be mere speculation to state just what the reasons were.

Mr. DRYSDALE: But you had an agreement at that time?

Mr. CÔTÉ: That will be explained by Mr. Henderson. A representative of the two parties would meet, and decide or agree on what the rates should be. There was no formal agreement; just an agreement reached in the course of discussions.

So, in point of time, as the tariff approved by the order-in-council of August 29, 1956 was held in abeyance, there started new discussions between the two parties, so as to have a revision of the tariff of tolls, to make it more suitable for the automatic collection, in respect of which discussion had just started. So these discussions—which started after August 1956 and which were continued in the early part of 1957—took place, and there was again some agreement between the representatives of the two parties as to what the tariff changes should be, to make it suitable for automatic token collection.

Mr. DRYSDALE: What date was that, Mr. Côté?

Mr. CÔTÉ: That was in the interval between August 29, 1956 and August 29—

Mr. DRYSDALE: Perhaps, to assist you, Mr. Henderson said on page 996 that the token design was approved by the National Harbours Board on May 10, 1957. I wanted to be sure of that date, because the date when the toll machines went into operation was May 10, 1958.

Mr. CÔTÉ: It is on August 29, 1957 that the changes to the 1956 tariff went to our company's board of directors. It is on September 30, 1957 that the law department referred the modifications to the Department of Transport of an order-in-council. At that same time there was approved by the directors a new set of regulations which had to go, for order-in-council, to the board of transport commissioners. I should point out that the tariff changes that we submitted to the Department of Transport on September 30, 1957, were not approved by order in council on December 6, 1957, as mentioned at the previous meeting. I gave that date in error. I said in the previous proceedings that the tariff changes of 1957 had been approved by order in council 59/1629 of December 6, 1957. The date of that particular order in council was the approval of the change in our regulations which had been submitted to the Department of Transport at the same time as were our changes in the tariff of tolls.

The CHAIRMAN: Mr. McGregor, please do not leave.

Mr. SMITH (*Simcoe North*): We will lose a quorum.

The CHAIRMAN: Pardon me for interrupting.

Mr. CÔTÉ: Actually the changes to the Victoria bridge tolls which had been agreed to in 1957 actually were approved by order in council of February 26, 1959, order in council p.c. 1959/242. You will recall, however, that on May 10, 1958, the Victoria bridge went on automatic toll collection. We proceeded with automatic toll collection on that date on the authority of our 1956 tariff which had been approved by order in council p.c. 1956/1319. That tariff of 1956 eliminated the charge for passengers and it modified the commuter rate for automobiles from 50 trips at \$3 to 50 trips for \$4. Although the 1956 tariff carried a limitation of time as to the use of the 50 trips at \$4 to be used in a two months period, when we went on the automatic collection the company waived that limitation on the tokens. We used them beginning May 10, 1958.

Mr. DRYSDALE: What was your authority?

Mr. CÔTÉ: The authority of August 29, 1956, which authorized 50 trips at \$4.

Mr. DRYSDALE: But that tariff was never approved until 1959?

Mr. CÔTÉ: No. It was approved on August 29, 1956.

Mr. DRYSDALE: August 29, 1957.

Mr. CÔTÉ: 1956. It is order in council 56/1319. That is the tariff of 1956.

Mr. DRYSDALE: But the token design was not approved until May 10, 1957.

Mr. CÔTÉ: The token design was approved in 1957, but we began using it on May 10, 1958.

Mr. DRYSDALE: What was the authority for using the tokens?

Mr. CÔTÉ: The tariff of August 29, 1956, authorized a tariff of 50 trips for \$4. Although there was some reference to tickets in the tariff, we felt it did not make much difference if we used tokens instead of paper tickets. So that from May 10, 1958, we proceeded on the authority of the 1956 tariff and continued operating under that 1956 tariff until February 26, 1959, when the next revision came in.

Mr. DRYSDALE: What is the difference between the 1959 tariff and the one that was approved on August 29, 1957?

Mr. CÔTÉ: One of the main differences is that the 1959 tariff places no limit of time for the use of the tokens. Under the 1956 tariff the 50 trips which were sold at \$4 were to be used within a period of two months, but that was waived by the company.

Mr. DRYSDALE: Practically speaking when you got into operation on May 10, 1958, the tariff subsequently arrived at in 1959, was basically the same tariff.

Mr. CÔTÉ: Yes, with some modification. The 1956 tariff carried a commuter rate of 12 tickets or trips for \$2. That was eliminated in the 1959 tariff; but in both instances there was no charge for passengers.

At page 1000 of proceedings No. 16 Mr. Drysdale inquired as to the correspondence between us and the national harbours board in respect of the irregularities and checks. The only communications between the national harbours board or the port authority in Montreal and the railway in respect of the irregularities or checks was between the port manager's office and the investigation department of the railway. These communications would be

telephone calls from the port authority to the investigation department requesting checks, and that was followed, after the check had been made by a report from the investigation department to the port authority as to the result of their check.

Mr. DRYSDALE: Was there a record made of those calls? For instance, the date you received the call and the date the check was made.

Mr. CÔTÉ: No; but you will see from the date of the checks that the call usually would come a few weeks before the investigation department would proceed with the check.

Mr. DRYSDALE: Did your investigation department ever draw to the attention of any of your officials the fact that although they were making a yearly investigation on the C.N.R. Victoria bridge that the investigations on the Jacques Cartier bridge were quite sporadic—four to six years in time.

Mr. CÔTÉ: So far as our files show, from the very beginning it was the understanding that checks would be made by us on request only.

Mr. DRYSDALE: On request.

Mr. CÔTÉ: Yes.

Mr. DRYSDALE: Was there a letter from the first port manager which established that procedure?

Mr. CÔTÉ: No. There was no correspondence regarding the use of the C.N.R. investigation department for those checks; but I have seen, in our own file in the law department, that at that time our chief counsel was consulted by the investigation department in respect of the request they had received. I think that was in 1934. Then the chief counsel laid down terms and conditions as to the carrying out of these checks by our own organization.

Mr. DRYSDALE: There were no checks on the matter of whether or not the check would be yearly or what?

Mr. CÔTÉ: It appears from the file that these checks were to be carried out on request only.

Mr. DRYSDALE: I know there was no obligation on your department, but did they ever communicate with the harbours board and say "We notice you have not had an investigation for two, three or four years, would you like us to do one now?"

Mr. CÔTÉ: No; we never did.

Mr. DRYSDALE: Thank you.

Mr. CÔTÉ: I have just a last question to answer. It pertains to Mr. Browne's question at pages 1004 and 1005 respecting statistics as to the number of passengers carried on the Victoria bridge prior to the establishment of the automatic toll collection.

I have here, Mr. Chairman, a statement giving the number of passengers and the amount of revenue per month for three years beginning in May, 1955, and ending in May, 1958, which was the date when the automatic collection started.

The CHAIRMAN: Is it agreed that this will be included in today's proceedings?

Agreed.

(Detail follows.)

CANADIAN NATIONAL RAILWAYS

VICTORIA BRIDGE—NUMBER OF PASSENGERS AND REVENUE

—	1955-1956		1956-1957		1957-1958	
	No. of	Revenue	No. of	Revenue	No. of	Revenue
	Passengers	\$	Passengers	\$	Passengers	\$
May.....	282,243	7,988	292,906	8,378	326,552	9,421
June.....	287,156	8,130	305,847	8,869	331,338	9,562
July.....	290,004	8,549	296,628	8,992	342,027	10,434
August.....	290,663	8,454	314,206	9,414	353,281	10,776
September.....	265,241	7,649	295,274	8,708	322,555	9,589
October.....	260,752	7,499	274,585	7,958	290,065	8,654
November.....	227,916	6,394	235,761	6,687	254,454	7,334
December.....	203,548	5,662	209,790	5,944	237,896	6,795
January.....	207,069	5,738	190,488	5,299	214,154	6,046
February.....	188,383	5,215	216,153	6,085	173,242	4,861
March.....	206,733	5,772	273,423	7,779	226,812	6,440
April.....	245,038	6,931	285,017	8,219	260,474	7,820
TOTAL.....	2,954,746	83,981	3,190,078	92,332	3,332,850	97,732

Mr. BROWNE (*Vancouver-Kingsway*): I think I asked another question as to the estimate made of what was expected to result from the tariff change made.

Mr. CÔTÉ: Mr. Henderson will answer that question.

The CHAIRMAN: Before we do it, I think we should carry on with Mr. Côté. Mr. Pigeon is first.

Mr. PIGEON (*Interpretation*): Relative to the answer which you tried to give to my question, I would like to have you refer to page 868 of the evidence which gives a table of the number of vehicles as well as to page 1032 which is a table of the revenue. In the month of August, there was an increase in vehicles in 1959 over 1958 of 23.51 per cent. For the same month there was an increase in revenue of 9 per cent. For the month of September there was an increase in vehicles of 19.35 per cent and in the same month there was an increase in revenue of 14.2 per cent. How is it that in the month of September there were less vehicles and more revenue, whereas in August there were more vehicles with less revenue?

Mr. CÔTÉ (*Interpretation*): You are still referring to a comparison of the months of August and September, 1958 and 1959. The document at page 868 indicates that in the month of August the number of vehicles crossing the bridge was 23.51 per cent higher in 1959, compared to 1958. And the document called Appendix D which appears on page 1032 indicates that in the same month there was a nine per cent increase in revenue in 1959 as compared to 1958.

In September the number of vehicles crossing was 19.35 per cent in 1959 over 1958, and the revenue in the same month was higher by 14.2 per cent in 1959 over 1958.

Mr. PIGEON (*Interpretation*): What I notice was that in the month of August there were more vehicles and less revenue, whereas in September there was more revenue and less vehicles.

Mr. CÔTÉ: Well, there may be a number of factors which would cause that situation. I do not know if Mr. Henderson or Mr. Mills would care to comment, but so far as I am concerned at the moment the two documents speak for themselves. And as to the underlying reasons for these modifications, I am not prepared to say at the moment.

Mr. PIGEON (*Interpretation*): In one month there were more vehicles and less revenue, and in the following month there was less vehicles and more revenue. That is something I cannot explain to myself.

Mr. CÔTÉ: There is a variation, as I note from appendix D, between the two months, of five per cent. Whether it is attributable to the number of trucks being higher in one month than in the other, it is difficult to say.

Mr. PIGEON (*Interpretation*): You have an increase in August of 9 per cent with a greater number of vehicles, whereas the revenues increase in September is 14.2 per cent with less vehicles.

Mr. CÔTÉ: In September we have an increase in vehicles of 19.35 per cent, and we have an increase in revenue of 14.2 per cent. In both instances we have increases.

Mr. PIGEON (*Interpretation*): How is it that in August you have an increase in vehicles of 23.51 per cent, and only an increase in revenue of nine per cent? And the difference in revenue which you have between August and September—that is nine per cent compared to 14.2 per cent, and it is rather considerable margin.

Mr. CÔTÉ: As I mentioned before, Mr. Pigeon I do not have an explanation to justify that variation.

The CHAIRMAN: May I ask if there would be tourist traffic in August which would boost that up?

Mr. CÔTÉ: Normally the month of August has been the biggest month traffic on the bridge, throughout the years. February is the lowest month, but August is the top month.

Mr. PIGEON: As the vehicles increased, the money increased too; I mean, the revenue increased.

Mr. CÔTÉ: And of course the more automobiles we get, the increase does not go as rapidly on account of the rate on automobiles being only 25 cents, while the truck rate was more. If the proportion of automobiles opposite trucks is great, our revenue goes down; and if we have more trucks, it goes up, because the rate for trucks is much higher.

The CHAIRMAN: Are there any other questions?

Mr. CHEVRIER: My questions have to do with the evidence which was given when you first appeared, Mr. Côté, concerning the traffic following the establishment or the erection of the automatic toll system, which was erected or established by the Canadian National Railways in May, 1958?

Mr. CÔTÉ: It went into operation.

Mr. CHEVRIER: Yes; and there were no trucks that crossed the bridge except the small ones following the installation of the automatic toll system?

Mr. CÔTÉ: That is correct, because at that time we only had one lane in operation.

Mr. CHEVRIER: There were no busses crossing?

Mr. CÔTÉ: There were busses.

Mr. CHEVRIER: What size would they be?

Mr. HENDERSON: There were large busses; the Montreal and Southern Counties Railway closed down, but the railway had an understanding with a bus company on the south shore, and those busses were given fleet crossings over the bridge. We arranged it that way because they could not meet on the bridge. But that was done, because they replaced the Canadian National Railways commuter service.

Mr. CHEVRIER: How frequent was that crossing?

Mr. HENDERSON: About every ten minutes in rush hours, and twice hourly the rest of the day.

Mr. CHEVRIER: Do you have a separate breakdown of busses that crossed?

Mr. HENDERSON: We have the revenue from the bus crossings.

Mr. CHEVRIER: But not the number?

Mr. HENDERSON: We cannot work back to the number from that.

Mr. CHEVRIER: How long was the bridge closed following the installation of the automatic system in May of 1958? How long was the bridge closed?

Mr. HENDERSON: From late April until October. I have the dates here somewhere. It was prior to the introduction of the automatic toll collection.

Mr. CHEVRIER: But I am talking about after the installation of the automatic toll collection. For what period of time were either of the two lanes, or both, closed after the installation of the automatic toll collection system?

Mr. CÔTÉ: That is a question you asked at the first morning sittings, when we appeared, and we gave you an answer to that question at the afternoon meeting. Unfortunately you could not be present then. You will find it in proceedings No. 14.

Mr. CHEVRIER: Well, can you tell me what the answer was?

Mr. CÔTÉ: I am trying.

Mr. DRYSDALE: You will find it on page 869.

Mr. HENDERSON: April 28, 1958 until October 23, 1958.

Mr. CHEVRIER: So it was closed therefore for a period of six months. And were there any other interruptions after the installation of the automatic toll equipment?

Mr. HENDERSON: There would be times when the bridge would be closed down for very short periods when they were testing the lift span of the St. Lawrence seaway bridge on the south shore. But at no time were both sides of the bridge shut down to automobile traffic, except for testing of the lift span.

Mr. CHEVRIER: Then there would be a six month closing down, plus the times it was closed down for short periods such as the ones you have mentioned?

Mr. HENDERSON: Yes.

Mr. CHEVRIER: How long would those periods be?

Mr. HENDERSON: They would be approximate half hour periods, and generally between 1:00 a.m. and 5:00 a.m.

Mr. CHEVRIER: When there was very little traffic?

Mr. HENDERSON: That is right.

Mr. CHEVRIER: What I am coming at is this: if you compare the period of time after the automatic toll system was in operation on the Victoria bridge, that is May, 1958, with the period of time after which the automatic toll system was in operation in 1959, and you take into consideration the fact that the bridge was closed down for almost six months, is it not a logical conclusion that there would be a greater increase following the installation of the automatic toll system on the Victoria bridge other than five per cent, if you compare like with like?

Mr. CÔTÉ: At page 869 you will note that the bridge was also closed on May 19, 1959, when the downstream roadway was closed, until July 17, 1959.

Mr. CHEVRIER: I do not know that that makes any difference, if we are comparing the two periods. What I am trying to get at is that after the automatic toll equipment was established and erected and put into operation

on the Jacques Cartier bridge, the increase was said to be 30 per cent or 35 per cent; while on the Victoria bridge it was only 5 per cent. And what I am saying now to you is this: that if you were to compare like with like, and if you were to compare the period after the equipment was put in operation on the Jacques Cartier bridge, from May 1958 on, without any interruptions in traffic, do you not think that the increase would have been much higher than 5 per cent on the Victoria bridge?

Mr. HENDERSON: We did compare the year 1957, which was the last complete year before we had the automatic system, and 1959 which was the first complete year. And even then in 1959 we did have one side of the bridge closed down. That is why we considered those two periods.

Mr. CHEVRIER: Yes, you told me that, and I realize that. But I do not think that is comparing like with like. What I am trying to get from either of the two witnesses now is this—

Mr. DRYSDALE: Do not browbeat them now!

Mr. CHEVRIER: I hope not. I shall do my best. What I am trying to get from the witnesses is this: if you were to compare the two periods, if there had been no shutdown for six months at all, then would it not be possible to ascertain what would have been—having regard to the traffic increase before—what would have been the traffic during the whole of 1958 on the Victoria bridge without any interruption?

Mr. MCGREGOR: I think the witnesses understand what you want.

Mr. SMITH (*Simcoe North*): I think that is largely hypothetical.

Mr. CHEVRIER: I would like to pursue it, unless the Chairman tells me I should not.

The CHAIRMAN: You may pursue it if you wish, until you get to dangerous ground.

Mr. CHEVRIER: May I return to the point I am trying to make: if you did not close the bridge down for the six months period, and you had traffic going through, is it not a logical conclusion to come to that for the year, May, 1958 to May, 1959 there would have been a greater increase than five per cent on the Victoria bridge?

Mr. HENDERSON: In revenue or in vehicles?

Mr. CHEVRIER: In vehicles.

Mr. HENDERSON: Oh yes, there would have been a greater increase in vehicles.

Mr. CÔTÉ: Mr. Mills has already explained in previous proceedings the reason why the revenues went down in 1958.

Mr. CHEVRIER: I was not asking any question about that. But if Mr. Mills wants to explain it, I have no objection.

The CHAIRMAN: Well, it is already in the minutes of proceedings.

Mr. CHEVRIER: Well, I have received an answer to my question.

The CHAIRMAN: Are there any other questions?

Mr. CHEVRIER: Coming back to the tariffs, there have been some references made to the effect that there was an agreement between the Canadian National Railways and the National Harbours Board in December 1957, and I think you explained—although I was not listening too carefully—that that agreement was made between officers of the Canadian National Railways and perhaps the port manager.

Mr. CÔTÉ: The agreement referred to was actually a verbal understanding between a representative of the port manager's office and the representatives of the railway who would get together and discuss changes in the tariff.

And once they agreed together, well, we proceeded on our own to get the Victoria bridge tariff approved, while they on their side proceeded to do the same in respect to the Jacques Cartier bridge.

Mr. CHEVRIER: You do not know whether the tariff was cleared and approved in so far as the National Harbours Board itself was concerned?

Mr. CÔTÉ: No, I do not know.

Mr. CHEVRIER: Are you aware that yesterday Mr. Marler in his evidence stated that the order in council approving the tariff was not passed until February, 1959?

Mr. CÔTÉ: That is a correction I have made this morning. There was an error in the previous proceedings. It gave the date as December 6, 1957, while the order in council to which I referred was the order in council approving the new regulations on the Victoria bridge, and that order in council approving the tolls came into effect on February 26, 1959.

The CHAIRMAN: Are there any other questions? If not I shall thank Mr. Côté and Mr. Henderson.

Mr. CHEVRIER: Might I make one interjection? I suppose many of us have not had an opportunity to read all the evidence. I know that I have not, up until the last two or three numbers, and I wondered if I might make this suggestion: that after we have read it, some of us may find that we would like to recall some witnesses—not necessarily these witnesses, but other witnesses. I suppose there would be no objection to that?

The CHAIRMAN: It is entirely up to the committee. I believe Mr. Côté, Mr. Henderson, and Mr. Mills would agree to come back—they would be willing to come back. And I want to thank those gentlemen for acting as witnesses here, and I feel quite sure that if anything further should be required, they would be willing to return.

Now I would like to direct your attention to Tuesday next, when we shall be having before us three bills, one, Bill S-4, "An Act to amend the Windsor Harbour Commissioners Act"; another, Bill S-5, "An Act to incorporate the Oshawa Harbour Commissioners"; and a third, Bill S-10, "An Act to incorporate the Nanaimo Harbour Commissioners".

The steering committee thought we might have them on May 31, but the Minister of Transport might not be available on that day, so we shall deal with them on Tuesday next, May 24th.

Now on Thursday, May 26th, we shall have the officials—at least an official from Miron et Frères Ltée. and an official from Steinberg's Limited. And Mr. McPhillips in his motion also requested someone from Bélanger Transport.

Mr. Jones, our clerk, has been in touch with these firms, and we expect there will be a representative from that firm also.

Mr. CHEVRIER: That will be a week from today?

The CHAIRMAN: That is right. And on Tuesday we shall take up these three harbour commission bills.

Mr. BROWNE (*Vancouver-Kingsway*): Earlier in the proceedings Mr. Côté indicated that Mr. Henderson was going to give us a report on the agreement that had been arrived at between the harbours board and the railway, and also that he would answer a question I had asked earlier; he indicated that Mr. Henderson would give an answer.

Mr. DRYSDALE: And I had a question on page 994.

The CHAIRMAN: I asked the committee if there were any more questions. However I feel quite sure he will be willing to answer your questions. But before we have this, may I have a motion from the committee, and a seconder: that Mr. Jean Girard, general manager of Miron et Frères Ltée., and Mr.

James Doyle, general counsel of Steinberg's Limited, Montreal, and an appropriate official of Bélanger Transport be called?

Mr. MCGREGOR: I so move.

Mr. BROWNE (*Vancouver-Kingsway*): A general counsel does not seem like a sort of person we would want to call.

Mr. DRYSDALE: Does their general counsel ride around on their trucks?

The CHAIRMAN: Mr. Jones, our clerk, was in touch with the vice-president of Steinberg's and he said that their general counsel is a full time official of the firm and that he is fully familiar with all their trucking activities. Mr. Jones was assured that this man, Mr. James Doyle, would be able to answer practically every question that was asked of him regarding transportation.

Mr. BROWNE (*Vancouver-Kingsway*): That is the kind of man we want here!

Mr. DRYSDALE: It would be nice to have someone come along who actually went over the bridge, too.

The CHAIRMAN: Mr. McGregor has moved that this be done. Are you all agreed? Are there any opposed? If not I declare the motion carried.

Motion agreed to.

I am sorry to have to call you back again, Mr. Henderson and Mr. Mills. Mr. Browne, you said you had forgotten what you wanted to ask?

Mr. BROWNE (*Vancouver-Kingsway*): No. I said that I asked a question earlier and Mr. Côté indicated that Mr. Henderson would answer it, and that we were also to get a statement concerning the agreement which had previously been arranged between the Canadian National Railways and the National Harbours Board regarding the tariff.

The CHAIRMAN: Could you give us that, Mr. Henderson.

Mr. HENDERSON: Yes sir.

On page 993 Mr. Drysdale requested information on meetings held between the representatives of the National Harbours Board and the Canadian National Railways in connection with the studying of tariff revisions. These meetings were held, and my predecessor attended a few of them before he was transferred, while I attended most of them from October 1, 1955 on.

For the most part they were held in the board room or in the port manager's office of the National Harbours Board at Montreal. Minutes of the meetings as such were not kept. We would make notes of what transpired for our own files. I shall attempt to go over the dates and give you the gist of those notes.

The first record we have is of a meeting held on July 5, 1955, when the Canadian National Railways representative at that meeting was Mr. A. F. Gaffney, and my predecessor in office, and Mr. A. Ball, assistant general manager of the department of road transport.

The National Harbours Board representatives were not named in our notes. At that meeting there was a discussion about streamlining the tariffs.

On September 12, 1955 there was a memorandum opposite to the effect that the tariffs had been discussed between Messrs. Gaffney, Ball, and representatives of the National Harbours Board. On October 17, 1955 we have an interdepartmental memorandum which would indicate that the talks were progressing satisfactorily between ourselves and the port manager.

On October 27, 1955 we received a letter from Mr. Beaudet, port manager, referring to the discussion held between Mr. Ball of the Canadian National Railways and Mr. Beech of the port manager's office, mentioning specific changes in the tariff as they had been discussed up to that time.

On November 22, Mr. Ball who at that time was my assistant, drafted a note to the vice-president of the Canadian National Railways referring to the continuing meetings and discussions being held with the port manager.

On December 8 I have an answer here from Mr. Brown. We prepared a statement showing the effect on the revenue of this new tariff that we had pretty well agreed upon between ourselves. The meeting thought the tariff should be adopted.

Mr. CHOWN: What year was that? 1956?

The CHAIRMAN: Please do not leave, Mr. Chevrier. Can you not hold it for a minute? We have just got a quorum.

Mr. HENDERSON: This was a statement prepared in my office on December 8. It forecast the revenue based on the same vehicles and the same number of people using the bridge and we have a note on the bottom of this statement saying:

Proposed structural changes on the bridge will permit boost of heavier traffic and also provide a much greater volume of passenger car movement which will result in a substantial increase in revenue over the figures shown.

The actual forecast indicated that under the new tariff we would expect a drop of about \$1,000 in revenue.

The CHAIRMAN: Do you see 16 present?

Mr. CHEVRIER: Yes.

The CHAIRMAN: Very well, Mr. Chevrier.

Mr. CHEVRIER: Thank you.

Mr. CHOWN: I asked for the date on several occasions. Mr. Henderson has not been giving the year. If he would try to give the year each time it would be helpful.

Mr. HENDERSON: All the dates up to this time were 1955.

On January 10, 1956 we forwarded copies of the new tariff of tolls to the port manager.

On January 12, 1956, we received an acknowledgement of those new tolls from Mr. Beaudet, the port manager.

Mr. DRYSDALE: Have you a copy of that letter?

Mr. HENDERSON: Yes, I have a copy here.

Mr. DRYSDALE: Would you like to file it, or would you rather read it? Do whichever is quicker.

Mr. CHOWN: File it. How long is the letter? There appears to be an appendix at the back of it.

Mr. HENDERSON: What we did with it was this: we forwarded to Mr. Beaudet two copies of our proposed tariff, and we asked him if it met with his approval. He returned one copy with his signature on the bottom, as having acknowledged it.

Mr. CHOWN: I move that the whole thing be filed as an appendix to the minutes.

Mr. DRYSDALE: May we have the letter of January 10, 1956 also from the board? The reason I request it is that at page 998 Mr. Henderson said that was then they reached an agreement on this tariff. The date is shown in each of those two letters and I thought it would be helpful to the committee if they were filed.

The CHAIRMAN: Can you file them? Thank you. Shall we have a motion to that effect?

Mr. DRYSDALE: Mr. Chown moves it, and I second it.

The CHAIRMAN: Are we all agreed? The motion is carried. All right, Mr. Henderson.

Motion agreed to.

(See Appendices "C" and "D" hereto.)

Mr. HENDERSON: On January 26, 1956 we returned to Mr. Beaudet a copy of the proposed tariff that he was going to recommend to the National Harbours Board.

On February 16, 1956 we had evidently a further discussion, and we were going to change the tariff on motorcycles, as one specific item of the two tariffs.

On April 4, 1956—

Mr. DRYSDALE: Would Mr. Henderson perhaps give us a list of the persons present? This would include those at each meeting, and if possible what was discussed, as in the last one, and perhaps file it as an appendix, as Mr. Chevrier suggested; and if we thought it necessary to recall them, it could be done. That would speed things up.

The CHAIRMAN: What is your idea, Mr. Drysdale?

Mr. DRYSDALE: Just to have Mr. Henderson make a summarized statement for each meeting, stating the date, the people present and, in outline, what was discussed. And we have also asked for the exchange of those two letters of January 10 and January 12, 1956—unless there is some other material that Mr. Henderson feels might be of value to the committee.

The CHAIRMAN: And have Mr. Henderson file that with the Clerk of the Committee?

Mr. DRYSDALE: Yes, file that with the clerk, just as an appendix to the minutes.

The CHAIRMAN: Is that agreeable?

Mr. CÔTÉ: Yes, we will prepare that.

(See Appendix "D" hereto.)

The CHAIRMAN: Are there any other questions?

Mr. MCGREGOR: I move that we adjourn.

The CHAIRMAN: All right. Gentlemen, remember that the next meeting is on Tuesday morning next, at 9:30, in this room.

Mr. SMITH (*Simcoe North*): There is no meeting this afternoon?

The CHAIRMAN: There is no meeting this afternoon. I wish to thank Mr. McGregor for staying and looking after things.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANAUX ET LIGNES TÉLÉGRAPHIQUES

(Page 1125)

M. PIGEON: Monsieur Smith, durant votre terme d'office, est-ce que vous avez reçu des lettres de recommandation de députés ou de ministres pour "placer" des péagers?

* * * *

M. PIGEON: Est-ce que vous avez reçu des appels téléphoniques de députés ou de ministres de la Couronne, vous demandant de reconsidérer le cas d'un péager qui avait été démis de ses fonctions?

* * * *

M. PIGEON: Je ne trouve pas la page, ici: mais j'ai remarqué cela, tout à l'heure, qu'il y avait des péagers qui avaient été démis de leurs fonctions pour cause d'irrégularités.

C'est pour cela que j'en reviens à ma question, si, à la suite de ces renvois d'employés, un ministre ou des ministres, ou un ou des députés ont fait pression sur vous pour reconsidérer le cas de ce péager, afin qu'il soit ré-employé?

* * * *

M. PIGEON: Monsieur Smith, est-ce qu'il est venu à vos oreilles des rumeurs de personnes qui vous ont avisé que certains péagers avaient un mode de vie élevé, trop élevé, au-dessus de leurs moyens, ou qu'il y avait certaines... des rumeurs, en fin de compte, qui étaient préjudiciables à l'intérêt public? Est-ce que vous êtes prêt à dire que certaines irrégularités, ou un manque de surveillance appropriée, a entraîné une perte d'argent?

(Page 1126)

M. PIGEON: Est-ce que des suggestions vous ont été faites par les ministres des Transports de l'époque, par exemple, pour tâcher d'améliorer le système de péage ou afin d'éviter le plus d'irrégularités possibles?

* * * *

M. PIGEON: On a dit, dans les séances antérieures, que l'augmentation du revenu, à la suite de l'installation du nouveau système automatique, est d'environ de 35 p. 100.

A première vue, est-ce que vous ne trouvez pas que ceci prouve, justement, qu'il y a eu une certaine perte d'argent, due peut-être aux péagers qui n'ont pas fait leur devoir comme ils auraient dû le faire?

* * * *

M. PIGEON: Est-ce que vous avez déjà, vous-même, fait des recommandations pour améliorer le système de péage, soit aux officiers de la Commission des Transports ou au ministre concerné?

* * * *

M. PIGEON: Lorsque vous discutiez de ces irrégularités avec les officiers de la Commission, est-ce qu'il était question également de la perte d'argent que pouvaient entraîner ces irrégularités?

(Page 1126)

M. PIGEON: Est-ce que ça arrivait souvent que les péagers, à la fin de leur "shift" de travail, de leur journée de travail, étaient, ou que leurs poches, autrement dit, étaient fouillées, quelque chose comme cela?

(Page 1137)

M. PIGEON: Concernant la réponse que vous avez donnée à la question que j'avais posée, je voudrais que vous "référiez" à la page 868 qui contient un tableau du nombre de véhicules, ainsi qu'à la page 1032 qui représente un tableau des revenus? Au mois d'août, il y a eu une augmentation des véhicules, pour l'année 1959 sur l'année 1958, de 23.51 p. 100. Et puis, pour le même mois, il y a eu une augmentation des revenus, de 9 p. 100. Et pour le mois de septembre, il y a eu une augmentation des véhicules, de 19.35 p. 100. Et pour ce même mois de septembre, il y a eu une augmentation de 14.2 p. 100 de revenu. Comment se fait-il qu'au mois de septembre il y ait eu moins de véhicules et plus de revenu, tandis qu'au mois d'août il y ait eu plus de véhicules et moins de revenu?

M. CÔTÉ: Vous parlez toujours de la comparaison entre...

M. PIGEON: Entre les deux mois.

M. CÔTÉ: Entre 1959 et 1958?

M. PIGEON: Oui?

M. CÔTÉ: Est-ce que je vais répondre en anglais?

M. PIGEON: Répondez en français?

M. CÔTÉ: Le document, qui apparaît à la page 868, indique que, pour le mois d'août, le nombre de véhicules, passant sur le pont, a été supérieur au taux de 23.51 p. cent, en 1959, comparativement à 1958. Le document, appendice "D" à la page 1032, indique que, pour le même mois, le revenu a augmenté de 9 p. cent, en 1959 comparativement à 1958. Et pour le même mois de septembre...

M. PIGEON: Dites-le donc en anglais. Dites-le en anglais; cela ira plus vite.

M. PIGEON: Mais j'ai remarqué qu'au mois d'août il y a plus de véhicules et moins de revenu, et au mois de septembre il y a eu moins de véhicules et plus de revenu?

(Page 1138)

M. PIGEON: Il y a eu plus de véhicules dans un mois, moins de revenu; et puis le mois suivant, il y a moins de véhicules et il y a plus de revenu. Alors, c'est une chose que je ne peux pas m'expliquer.

* * * *

M. PIGEON: Oui, mais vous avez une augmentation des revenus, pour le mois d'août, de 9 p. 100, avec,—oui une augmentation de 9 p. 100,—avec un grand nombre de véhicules, une augmentation de véhicules; au mois de septembre, vous avez 14.2 p. cent de revenu avec une diminution du nombre des véhicules?

* * * *

M. PIGEON: Mais comment se fait-il qu'au mois d'août vous avez une augmentation de 23.51 p. 100 et seulement 9 p. cent d'augmentation? Et la différence qu'il y a entre l'augmentation du revenu pour les mois d'août et septembre, de 9 p. 100 à 14.2 p. 100, constitue une marge assez imposante?

APPENDIX "A"

COLLECTION OF TOLLS—JACQUES CARTIER BRIDGE

Hereunder, for your information, is statement showing toll collections on the Jacques Cartier Bridge during the months of February, March and April, 1960, with comparison for the same three months of 1959.

	Revenues from tolls
February 1960	\$ 193,733
February 1959	122,387
Increase	71,346
March 1960	\$ 231,884
March 1959	152,783
Increase	79,101
April 1960	\$ 246,139
April 1959	172,623
Increase	73,516

May 19, 1960

APPENDIX "B"

JANUARY 10th, 1956,

Mr. G. Beaudet,
Port Manager,
National Harbours Board,
Montreal, Que.

Attention: Mr. Beach

Dear Sir:

As previously arranged enclosed herewith are two copies of the new proposed tolls covering the movements of vehicular traffic on the Victoria Jubilee Bridge.

I trust you will find these satisfactory and in accordance with previous understandings.

Yours truly,

A.H.B.

Assistant General Manager,
Department of Road Transport.

P.S. Will you please approve one copy and return it to this office, retaining the other copy for your file.

APPENDIX "C"

NATIONAL HARBOURS BOARD
MONTREAL HARBOUR

MONTREAL 1, P.Q., 12th JANUARY, 1956.

L. J. Henderson, Esq.,
General Manager,
Department of Road Transport,
Canadian National Railways,
Montreal, Que.
Attention A. H. Ball, Esq.

Dear Sir:

As arranged by your Mr. Ball and our Mr. Beach, I am enclosing two copies of proposed new tariff of tolls for Jacques Cartier Bridge dated 9th January, 1956.

It should be noted, however, that notwithstanding Item II (4) in the enclosed proposed tariff of tolls for Jacques Cartier Bridge dated 9th January, 1956, companies now granted commuters' rates will still be granted this concession. These companies are—

Laval Transport Inc.
Chambly Transport Inc.
Montreal Transportation Commission

It would seem that companies operating on regular schedules across the bridge for the transportation of commuters are entitled to this commuters' rate in view of the fact that such a concession has existed for many years and the fact that a toll of \$1.00 for each crossing would represent in some cases an increase of over 400%.

We will be prepared to discuss this question with you at any time; however, this matter should not be permitted to delay the implementing of the proposed new tariff.

As requested, I enclose initialled copy of proposed Victoria Jubilee Bridge tariff forwarded with your letter of the 10th January, 1956.

Yours truly,

G. Beaudet,
Port Manager.

CANADIAN NATIONAL RAILWAYS
PROPOSED VICTORIA JUBILEE BRIDGE TOLLS
GENERAL REGULATIONS

- (a) The tolls authorized herein for vehicles include the passage of all occupants of the vehicle.
- (b) The gross weight of any vehicle (weight of vehicle and contents) is restricted to thirteen and one-half ($13\frac{1}{2}$) tons (27,000 lbs.).
- (c) No vehicle equipped with more than two (2) axles and operating with more than four (4) tires, excepting autobuses, allowed on the bridge.
- (d) Any vehicle becoming immobile on the bridge will be immediately removed by towing to a convenient location beyond the exit of the bridge, such distance not to exceed $\frac{1}{2}$ of a mile. A towing fee of \$2.00 will be assessed for this service.
- (e) Horse-drawn vehicles not allowed.
- (f) Hand vehicles not allowed.
- (g) Bicycle and rider not allowed.

(h) Livestock on foot not allowed.

(i) Pedestrians not allowed.

ISSUED EFFECTIVE

VICTORIA JUBILEE BRIDGE TOLLS

The following tolls are hereby made effective
for vehicles traversing or entering the Victoria Jubilee Bridge.

	Tolls * One Way
	\$ ¢
(1) Motor-driven Vehicles (See "General Regulations", Page 1)	
(a) Motorcycles .....	.15
NOTE: 50-trip automobile (passenger car) tickets shown in (b) may also be purchased for the passage of a motor- cycle	
(b) Automobiles (passenger car, taxi, station wagon, hearse, ambulance, the standard capacity of which does not exceed nine (9) persons):	
Single tickets .....	.25
12-trip tickets, non-transferable, expires at the end of the month subsequent to the month in which purchased ..	2.00
50-trip tickets, non-transferable, expires at the end of the month subsequent to the month in which purchased ..	4.00
(c) Trucks equipped with not more than 2 axles and operating with not more than 4 tires .....	.25
(d) Vehicle in tow by truck, automobile or motorcycle:	
Equipped with 1 axle and operating with not more than 2 tires .....	.25
Equipped with 2 axles and operating with not more than 4 tires .....	.50
(e) Farm trucks equipped with not more than 2 axles and oper- ating with not more than 4 tires (loaded with farm products, manure or artificial fertilizers):	
50-trip tickets, non-transferable, valid for six (6) months (See Note)	4.00
NOTE: This form of ticket will be issued and accepted for passage only of trucks which bear current license issued in conformity with the classification of "farm vehicle" in the Motor Vehicle Act of the Province of Quebec.	
(2) Autobuses	1.00
(3) Interchangeability of Tickets:	

The following categories of tickets issued by the Canadian National Railways for passage over the Victoria Jubilee Bridge, or by the Jacques Cartier Bridge Toll Collectors for passage over the Jacques Cartier Bridge, will be honored for passage on presentation to the Toll Collectors at the Victoria Jubilee Bridge or at the Jacques Cartier Bridge:

12-trip automobile (passenger car) ticket.

50-trip automobile (passenger car) ticket.

50-trip farmers' truck ticket. (For Trucks equipped with not more than 2 axles and operating with not more than 4 tires.)

Autobus ticket.

* One way, except when charge for 12-trip and 50-trip tickets is quoted.

CANADIAN NATIONAL RAILWAYS

Proposed

Victoria Jubilee Bridge Tolls

GENERAL REGULATIONS

- (a) The tolls authorized herein for vehicles include the passage of all occupants of the vehicle.
- (b) The gross weight of any vehicle (weight of vehicle and contents) is restricted to thirteen and one-half ($13\frac{1}{2}$) tons (27,000 lbs.).
- (c) No vehicle equipped with more than two (2) axles and operating with more than four (4) tires, excepting autobuses, allowed on the bridge.
- (d) Any vehicle becoming immobile on the bridge will be immediately removed by towing to a convenient location beyond the exit of the bridge, such distance not to exceed $\frac{1}{8}$ of a mile. A towing fee of \$2.00 will be assessed for this service.
- (e) Horse-drawn vehicles not allowed.
- (f) Hand vehicles not allowed.
- (g) Bicycle and rider not allowed.
- (h) Livestock on foot not allowed.
- (i) Pedestrians not allowed.

ISSUED EFFECTIVE

Noted G. Beaudet Port Manager 12 Jan 1956

APPENDIX "D"

Memorandum of meetings and discussions between representatives of the Canadian National Railways and the Port Manager, Montreal, or his representatives, relating to modifications to the Tariff of Tolls on the Jacques Cartier and Victoria Bridges, Montreal, for the period July 19, 1955 to March, 1959.

July 5, 1955

Meeting between C.N.R. representatives—F. A. Gaffney, General Manager, Department of Road Transport and A. H. Ball, his Assistant. The representative of the Port Manager not shown in our memorandum.

The purpose of this meeting was to outline the Railways' position in respect to tolls covering vehicular traffic and to exchange ideas on a proposed streamlining of the toll structure on the two bridges.

Sep. 22, 1955

A C.N.R. memorandum suggests that a new toll structure has been negotiated with the representatives of the Jacques Cartier Bridge and agreement has been reached with one exception.

Oct. 17, 1955

C.N.R. inter-office memorandum indicating that agreement has been reached between the representatives designated to negotiate the simplification of the tariff.

Oct. 27, 1955

Letter from Mr. G. A. Beaudet, Port Manager, Montreal to Mr. A. H. Ball, Assistant Manager, Department of Road Transport, C.N.R., requesting an addition to the revised tariff of an item allowing the purchase of twelve (12) tickets for \$2.00, good for two (2) months.

Nov. 22, 1955

C.N.R. office memorandum. Information in this memorandum indicates that Mr. G. Beaudet, Port Manager, did not anticipate that revised bridge tolls on the Jacques Cartier Bridge can be made effective at an early date as he has to obtain approval of the Federal, Provincial and Municipal authorities.

Jan. 10, 1956

Two copies of the new Tariff of Tolls proposed for the Victoria Bridge forwarded to Mr. G. Beaudet, Port Manager, for his information, with the request that he return one copy to us with his comments.

Jan. 12, 1956

Mr. Beaudet acknowledged receipt of C.N. tariff and enclosed a signed copy giving his concurrence.

Jan. 26, 1956

Letter to Mr. G. Beaudet, Port Manager, Montreal from Mr. L. J. Henderson, General Manager, Department of Road Transport, C.N.R. returning copy of the proposed tariff for the Jacques Cartier Bridge.

Feb. 16, 1956

Letter to Mr. G. Beaudet, Port Manager, from Mr. A. H. Ball, Assistant General Manager, Department of Road Transport, C.N.R. enclosing an amendment to the tariffs under discussion that would include motorcycles under the category of automobiles.

Apr. 4, 1956

Letter from Mr. G. Beaudet, Port Manager, to Mr. A. H. Ball, Assistant General Manager, Department of Road Transport, C.N.R. enclosing a proposed new Tariff of Tolls for the Jacques Cartier Bridge.

Apr. 19, 1956

Letter from Law Department to Operating Department for the settlement of the form of the tariff changes prior to application for Order-in-Council to implement such changes.

May 29, 1956

Letter to Mr. G. Beaudet, Port Manager, from Chief of Ticket Bureau, Canadian National Railways, in connection with the type of tickets that would be required when the new tariff was to be adopted.

Jul. 30, 1956

Letter to Mr. A. H. Ball, Assistant General Manager, Department of Road Transport, C.N.R. from Mr. G. Beaudet, Port Manager, confirming suggestions for modifications to the colour scheme of the tickets to be used.

Aug. 15, 1956

Meeting held in the office of the Port Manager, Montreal—Mr. L. J. Henderson and Mr. J. W. Belcourt attending for the C.N.R.—Mr. G. Beaudet, Port Manager, representing the National Harbours Board. A memorandum of this meeting indicates that Mr. Beaudet is interested in the adoption of tokens to replace the use of tickets. He submitted several suggestions concerning their sale, to which the C.N.R. representatives did not agree.

Aug. 29, 1956

Order-in-Council P.C. 1956-1319 approved Tariff of Tolls for Victoria Bridge. This was not put into effect until May 10, 1958 due to representation from the Port Manager and National Harbours Board that the C.N.R. should

suspend the putting into effect of the August 29, 1956 tariff until National Harbours Board had had a corresponding tariff approved. This request for holding the 1956 tariff in abeyance was agreed to by C.N.R.

Oct. 17, 1956

Letter to Mr. G. Beaudet, Port Manager, from Mr. L. J. Henderson, General Manager, Department of Road Transport, C.N.R. requesting further discussion on tariff modifications with a view to collecting tolls by mechanical devices.

Oct. 18, 1956

Letter to Mr. L. J. Henderson, General Manager, Department of Road Transport, from Mr. G. Beaudet, Port Manager, advising that the question of a new tariff, tokens and automatic toll collection will be discussed at the next meeting of the National Harbours Board on October 24, 1956.

Dec. 5, 1956

A C.N.R. memorandum indicates a meeting was held in the office of the Port Manager, Montreal, on December 3, 1956. In attendance were Mr. G. Beaudet, Port Manager, Mr. Clement, Supervisor, Jacques Cartier Bridge, Mr. L. J. Henderson, General Manager, Department of Road Transport, Mr. J. W. Belcourt, C.N.R. At this meeting, the Port Manager discussed methods of selling tokens and methods of purchasing the initial token supply.

Jan. 27, 1957

Letter to Mr. L. J. Henderson, General Manager, Department of Road Transport, C.N.R. from Mr. G. Beaudet, Port Manager, enclosing copy of notes of meeting held in the Board Room, National Harbours Board, Montreal on January 23, 1957. In attendance were Mr. L. J. Henderson, General Manager, Department of Road Transport and Mr. J. W. Belcourt, C.N.R., Mr. G. Beaudet, Port Manager, and Mr. J. A. Clement, Superintendent of the Jacques Cartier Bridge. The C.N.R. representatives advised that the Railway is entering into an agreement to rent automatic toll collection equipment. Various items concerning tokens were discussed.

Feb. 8, 1957

Letter to Mr. G. Beaudet, Port Manager, from Mr. L. J. Henderson, General Manager, Department of Road Transport, C.N.R., answering the questions outstanding from the meeting of January 23, 1957 respecting the implementation of the changes to the tariff under discussion.

Mar. 22, 1957

Letter to Mr. G. Beaudet, Port Manager, from Mr. L. J. Henderson, General Manager, Department of Road Transport, C.N.R., enclosing two copies of the Victoria Bridge tolls proposed to be submitted for approval.

Apr. 10, 1957

Letter to Mr. G. Beaudet from Mr. L. J. Henderson advising that the Directors of the Canadian National Railways had on March 28th approved the entering into of a leasing contract covering the supplying, installation and servicing of automatic toll collection equipment.

May 10, 1957

Letter to Mr. G. Beaudet from L. J. Henderson enclosing for approval the design and wording of the tokens as it affects the National Harbours Board.

May 10, 1957

Token design approved by Mr. G. Beaudet with certain modifications.

Jul. 15, 1957

Letter to Mr. G. Beaudet from Mr. L. J. Henderson advising that the Canadian National proposed to put into force the Tariff of Tolls approved by Order-in-Council P. C. 1956-1319 of August 29, 1956 with the Company waiving the expiry date feature on commuter tickets.

Aug. 27, 1957

1957 modification to the tariff of August 29, 1956 submitted to the Executive Vice-President for necessary approval by the Board of Directors of the Company.

Oct. 10, 1957

C.N.R. inter-departmental memorandum to the effect that the National Harbours Board in Ottawa had formally accepted the scale of tolls which the C.N.R. had before the Minister of Transport for approval by Order-in-Council and that the National Harbours Board were proceeding with the acquisition of automatic toll collection equipment as soon as possible. The question of interchangeability of tickets in the interim was mentioned and agreement had been reached for each bridge to honour the tickets of the other bridge under the terms and conditions applying at the time of purchase.

Apr. 24, 1958

Letter to the Honourable Geo. Hess, M.P. from Mr. D. Gordon, President, Canadian National Railways confirming discussion and advising that the C.N.R. will be proceeding with automatic toll collection early in May.

May 2, 1958

Instructions contained in inter-office memorandum to inaugurate automatic toll collection system and advising that agreement had been reached on interchangeability of commuter tickets with Jacques Cartier Bridge.

May 10, 1958

Automatic toll collection system initiated on Victoria Bridge under the provisions of the tariff approved on August 29, 1956 by Order-in-Council PC 1956-1319.

Feb. 26, 1959

Order-in-Council PC 1959-242 approving amendments proposed in 1957 to the 1956 Tariff of Tolls.

This synopsis has been prepared by the General Manager, Department of Road Transport, from information contained in his files.

L. J. Henderson,
*General Manager,
Department of Road Transport.*

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960



STANDING COMMITTEE

ON

**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Chairman: GORDON K. FRASER, ESQ.

PROCEEDINGS

No. 19

Bill S-4, An Act to amend the Windsor Harbour Commissioners Act.
Bill S-5, An Act to incorporate the Oshawa Harbour Commissioners.
Bill S-10, An Act to incorporate the Nanaimo Harbour Commissioners.
Including Seventh Report thereon

TUESDAY, MAY 24, 1960

WITNESSES:

Hon. George Hees, Minister of Transport; *of the Department of Transport*: Messrs. G. W. Stead, Assistant Deputy Minister, Marine, W. J. Manning, Director of Marine Works, Marine Services, and Jacques Fortier, Departmental Counsel; and *of the Department of Public Works*: Dr. E. P. Weeks, Director, Economic Studies Branch.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: Gordon K. Fraser, Esq.

Vice-Chairman: W. Marvin Howe, Esq.
and Messrs.

Allmark,	Deschatelets,	McGregor,
Asselin,	Drysdale,	McPhillips,
Badanai,	Dumas,	Monteith (<i>Verdun</i>),
Baldwin,	Fisher,	Pascoe,
Bell (<i>Saint John-Albert</i>),	Garland,	Payne,
Bourbonnais,	Grills,	Peters,
Bourget,	Horner (<i>Acadia</i>),	Phillips,
Bourque,	Horner (<i>Jasper-Edson</i>),	Pigeon,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pratt,
Brassard (<i>Lapointe</i>),	Keays,	Rapp,
Browne (<i>Vancouver-</i>	Kennedy,	Rogers,
<i>Kingsway</i>),	Lessard,	Rynard,
Bruchési,	MacInnis,	Smith (<i>Calgary South</i>),
Cadieu,	MacLean (<i>Winnipeg</i>	Smith (<i>Lincoln</i>),
Campbell (<i>Stormont</i>),	<i>North Centre</i>),	Smith (<i>Simcoe North</i>),
Campeau,	Martin (<i>Essex East</i>),	Thompson,
Chevrier,	Martini,	Tucker,
Chown,	Michaud,	Valade,
Creaghan,	McBain,	Wratten—60.
Crouse,	McDonald (<i>Hamilton</i>	
Denis,	<i>South</i>),	

Eric H. Jones,
Clerk of the Committee.

ORDERS OF REFERENCE

HOUSE OF COMMONS,
TUESDAY, May 17, 1960.

Ordered,—That Bill S-4, An Act to amend the Windsor Harbour Commissioners Act, be referred to the Standing Committee on Railways, Canals and Telegraph Lines.

WEDNESDAY, May 18, 1960.

Ordered,—That the following Bills be referred to the Standing Committee on Railways, Canals and Telegraph Lines:

Bill S-5, An Act to incorporate the Oshawa Harbour Commissioners.

Bill S-10, An Act to incorporate the Nanaimo Harbour Commissioners.

Attest

LÉON J. RAYMOND,
Clerk of the House.

REPORT TO THE HOUSE

TUESDAY, May 24, 1960.

The Standing Committee on Railways, Canals and Telegraph Lines has the honour to present the Following as its

SEVENTH REPORT

Your Committee has considered the following bills and has agreed to report them without amendment:

Bill S-4, An Act to amend the Windsor Harbour Commissioners Act.

Bill S-5, An Act to incorporate the Oshawa Harbour Commissioners.

Bill S-10, An Act to incorporate the Nanaimo Harbour Commissioners.

A copy of Minutes of Proceedings and Evidence relating to the said bills is appended.

Respectfully submitted,

GORDON K. FRASER,
Chairman.

MINUTES OF PROCEEDINGS

TUESDAY, May 24, 1960.
(32)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Allmark, Asselin, Badanai, Bell (*Saint John-Albert*), Bourque, Browne (*Vancouver-Kingsway*), Campbell (*Stormont*), Campeau, Chevrier, Chown, Creaghan, Denis, Drysdale, Fisher, Fraser, Horner (*Acadia*), Howe, Keays, Martin (*Essex East*), McDonald (*Hamilton South*), McGregor, McPhillips, Monteith (*Verdun*), Pigeon, Smith (*Calgary South*), Smith (*Lincoln*), Smith (*Simcoe North*), Tucker, and Wratten. (29)

In attendance: The Honourable George Hees, Minister of Transport; of the Department of Transport: Messrs. G. W. Stead, Assistant Deputy Minister, Marine; W. J. Manning, Director of Marine Works, Marine Services; and Jacques Fortier, Departmental Counsel; and of the Department of Public Works: Dr. E. P. Weeks, Director, Economic Studies Branch.

The Committee proceeded to consider three Senate bills, namely, Bill S-4, An Act to amend the Windsor Harbour Commissioners Act, Bill S-5, An Act to incorporate the Oshawa Harbour Commissioners, and Bill S-10, An Act to incorporate the Nanaimo Harbour Commissioners.

The Clerk of the Committee read the Orders of Reference whereby the said bills had been referred to the Committee.

On motion of Mr. Bell (*Saint John-Albert*), seconded by Mr. Creaghan, *Resolved* (on division),—That pursuant to its Orders of Reference of February 8, 1960 the Committee print 750 copies in English and 250 copies in French of its Minutes of Proceedings and Evidence respecting Bills S-4, S-5 and S-10.

The Minister made a brief statement on the establishment of harbour commissioners and their relation to the financing of public harbours.

On Bill S-4,

Clause 1, the Preamble and the Title of said bill were adopted; the Bill was carried without amendment.

Ordered,—That Bill S-4 be reported to the House without amendment.

During the consideration of the said bill, the Committee requested that tonnage figures respecting the Windsor harbour for the years 1957 and 1958 be produced. As Mr. Stead stated that this information was not immediately available, he was requested to provide it, and it was agreed that it be printed as an appendix to the proceedings of this day. (*See Appendix "A" hereto.*)

On Bill S-5,

Clauses 1 to 25, the Preamble and the Title of the said bill were adopted, the Bill was carried without amendment.

Ordered,—That Bill S-5 be reported to the House without amendment.

During the consideration of the said bill, the Committee requested that tonnage figures respecting the Oshawa harbour for the years 1957 and 1958 be produced. As Mr. Stead stated that this information was not immediately available, he was requested to provide it, and it was agreed that it be printed as an appendix to the proceedings of this day. (*See Appendix "B" hereto.*)

On Bill S-10,

Clauses 1 to 25, the Preamble and the Title of the said bill were adopted; the Bill was carried without amendment.

Ordered,—That Bill S-10 be reported to the House without amendment.

During the consideration of Bills S-4, S-5 and S-10, the Honourable Mr. Hees and Messrs. Stead, Manning and Fortier of the Department of Transport, and Dr. E. P. Weeks of the Department of Public Works, were questioned.

At 11.15 o'clock a.m. the Committee adjourned until 9.30 o'clock a.m. Thursday, May 26, 1960.

Eric H. Jones,
Clerk of the Committee.

EVIDENCE

TUESDAY, May 24, 1960.

9:30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum. This morning we have before us three transport bills, regarding the Windsor Harbour Commission, the Oshawa Harbour Commission, and the Nanaimo Harbour Commission. I think we should take them up in the same order in which they were brought up in the House. The first one is the Windsor Harbour Commission, and I shall ask the Clerk to read the Orders of Reference, regarding them.

The CLERK OF THE COMMITTEE:

Tuesday, May 17, 1960.

Ordered: That Bill S-4, an act to amend the Windsor Harbour Commissioners Act, be referred to the Standing Committee on Railways, Canals and Telegraph Lines.

And another order as follows:

Wednesday, May 18, 1960.

Ordered: That the following bills be referred to the Standing Committee on Railways, Canals and Telegraph Lines: Bill S-5, an act to incorporate the Oshawa Harbour Commissioners.

Bill S-10 an act to incorporate the Nanaimo Harbour Commissioners.

The CHAIRMAN: We will have to have a motion regarding the printing of the proceedings of the meeting.

Mr. BELL (*Saint John-Albert*): I move, Mr. Chairman, that pursuant to the order of reference of February 8, 1960, the committee print 750 copies in English and 250 copies in French of its minutes of proceedings and evidence respecting bills S-4, S-5, and S-10.

Mr. CHOWN: Why do we need so many copies?

The CHAIRMAN: Because that is a principle which has always been followed in this committee. I understand it is done because there might be a demand for them from different sections of the country, where different harbour commissions may want them.

Mr. CREAGHAN: I second the motion.

The CHAIRMAN: It has been moved by Mr. Bell and seconded by Mr. Creaghan that 750 copies in English and 250 copies in French be printed of these minutes of proceedings and evidence respecting bills S-4, S-5, and S-10.

Mr. CHOWN: Does the minister agree that these bills have such country-wide popularity? It seems to me that in the case of our investigation of the Jacques Cartier bridge there is quite a widespread interest both from the standpoint of people in the local area, as well as from the standpoint of politics.

Mr. CHEVRIER: You mean there was!

The CHAIRMAN: I might say that in the Senate they had 800 copies printed in English and 200 copies printed in French.

Mr. BELL (*Saint John-Albert*): Some members might want to distribute these around their constituencies!

The CHAIRMAN: Are all agreed?

Motion agreed to.

We have with us the minister today, and Mr. G. W. Stead, Assistant Deputy Minister, Marine, Department of Transport; also we have Dr. E. P. Weeks, Director, Economics Studies Branch, Department of Public Works; and Mr. W. J. Manning, Director of Marine Works, Marine Services, Department of Transport. And finally we have with us Mr. Jacques Fortier, Departmental Counsel, the Department of Transport, if we need him.

Now I believe that the minister is to make a statement.

Hon. GEORGE H. HEES (*Minister of Transport*): In the debate on second reading there was a question asked regarding how we operate with the municipalities who request information and assistance for developing their harbours, and perhaps setting up harbour commissions. I took it from that debate that the members of this committee would be interested in a short statement as to how this committee operates, and the approach which the Department of Public Works and the Department of Transport take in giving assistance to municipalities who ask us for help in either setting up a harbour commission, or for help to develop their harbours.

In Canada, at our present stage of development, harbour revenues coming from immediate users cannot generally be expected to cover fully operating and capital costs. Benefits will nonetheless accrue to the community served by the harbour.

Public harbours typically have their facilities constructed by the federal government at its expense. They are administered by the Department of Transport which collects revenue on the basis of standard rates.

Local harbour commissions may be established:

- when local initiative to promote the harbour is forthcoming;
- when there are significant prospects for long-term development; and
- when the revenue is sufficient to support a separate administration.

When a local harbour commission is established, it is understood that federal and municipal works and property in the harbour area are transferred to the commission for administration, the revenues accruing to the commission.

The first charge on the revenues of the commission are the costs of operating the harbour. As activity in the harbour grows, and revenues cover appreciably more than operating costs, the commission should be expected to participate in the capital and maintenance costs of works; initially in the costs of sheds and equipment on basic structures, and later in wharves and other works.

Under a recent treasury board decision, local harbour commissions are to participate in such works to an extent corresponding to prospective revenue from the proposed works and their over-all financial capacity. The effect of this participation will be to impose some restraint on demands for federal assistance, while at the same time recognizing real need.

When commissioners contemplate new works in their harbour, they may be expected to present a documented case to the federal government. The proposal would be reviewed by the departments concerned to ascertain whether the works are warranted. If so, the commission would be expected to participate in the financing according to their capacity.

Where a commission cannot provide funds to the extent of their participation in a project, the federal government stands ready to consider a loan, in addition to any direct federal share in the works, on the basis of full interest and amortization being paid.

On clause 1—Boundaries of harbour.

Mr. CHEVRIER: On clause 1, Mr. Chairman, may I ask what the prospect is for additional benefits arising out of the seaway to the harbour of Windsor? I am sure Mr. Martin would want to know more so than myself. I wonder if Dr. Weeks could give us some indication of what the provision is.

I remember at one time that on the other side of the international boundary line—that is, in Detroit—there was little or nothing being done by way of development. And that is why Windsor was apt to gain a great deal more than Detroit. So I wondered what the position was today.

Dr. E. P. WEEKS (*Director, Economic Studies Branch, Department of Public Works*): In the middle of March this year, the interdepartmental group, of which I am chairman went to Windsor to discuss with the harbour commissioners the various proposals which were being put forward by a private group. This group was contemplating the establishment on a large scale of warehousing facilities, bonded warehousing facilities, on the Windsor side of the river.

Mr. MARTIN (*Essex East*): There are several groups. You are talking about the group which proposes to spend \$12 million?

Dr. WEEKS: That is right. Their approach to this was of course based on the factor to which Mr. Chevrier referred, that is a situation in which there is a shortage of wharfage space on the Detroit side of the river, and it was felt that Windsor would be a good location for the landing of overseas cargoes and their transfer from bonded warehouses to Detroit.

Mr. MARTIN (*Essex East*): Yes.

Dr. WEEKS: As the discussion developed in Windsor, it appeared that at the present stage the main interest, or the main development, would be carried out by this private group. We informed the commissioners that of course we were ready to provide any assistance or advice that they might need, and that we would place at their disposal all the engineering data which have been obtained by the engineers of the Department of Public Works.

Similarly we indicated that we would be prepared to make a long-term analysis, or study of the next stage of development, because it was obvious that if this 42-acre project were to go ahead, there would probably have to be successive steps in the development. The stimulation to industry which might result from it could be considerable.

We recognized the rather unsatisfactory condition of the small existing wharf which had been under lease to the C.S.L., but which they gave up because of the building up of a facility of their own. The Department of Public Works is taking steps to improve it.

Mr. MARTIN (*Essex East*): May I ask you if you know at this stage of this proposed private enterprise effort whether or not they have gone to Europe to try to ascertain whether some credit facilities could be made available to them? Do you know what is the outcome of that situation?

Dr. WEEKS: No sir, we have not been given any recent information in our department.

Mr. MARTIN (*Essex East*): Are you aware that some other private groups are interested in the development of private harbour facilities in Windsor?

Dr. WEEKS: Yes, I am aware of these groups, although there has been no approach made to us directly.

Mr. MARTIN (*Essex East*): Are you aware that one of these groups has had conversation with the Department of National Revenue with regard to customs arrangements which would be necessary in the establishment of trans-shipment facilities from the Canadian border to the American border?

Dr. WEEKS: I have found out in discussion that that is correct.

Mr. MARTIN (*Essex East*): You are aware of course of the intense effort now being made to develop a harbour in Detroit by public and private effort?

The CHAIRMAN: When you answer, please speak out loud so that the reporter can get it.

Dr. WEEKS: Yes, sir.

Mr. MARTIN (*Essex East*): I need not ask a man of your experience if you are aware of the tremendous potential of the Detroit river, where it has been said there is greater traffic than on any other river in the world. Having in mind the developments which have taken place at Cleveland, where much the same thing is being said, and the developments taking place at Buffalo, Detroit, Chicago, and on all the great lakes, would you not regard the potential of a place like Windsor, in spite of what might seem to be its present limitations, as being a proper effort for which to provide development?

Dr. WEEKS: I would agree with you, subject to one qualification, namely, that of timing. I think on the long-term aspect of it there is no doubt whatever. It is a question of timing, and I think that timing is the main factor.

Mr. MARTIN (*Essex East*): May I ask you this: I think we have a good harbour commission in Windsor; I think we have business men who want to see this harbour developed, and to see Windsor take full advantage of it. But there seem to be two theories. One theory is that at the moment there is not sufficient shipping business in the community to warrant extensive development.

Then there is the other thing which I myself share: that we can develop by an aggressive policy not only a greater potential but also greater action for a place like Windsor.

At Toronto they have a man who goes out to get business. In New York they have an industrial commissioner. I am thinking of a commissioner in the Harbour Commission at Toronto who goes out to solicit business. Now, is there any possibility for like action on the part of a community like the one from which I come?

Dr. WEEKS: It would seem to me that there is one difficulty, perhaps, which arises and that is, I think, that the commission has not gone through what I would say is the main stage of development. It is a little difficult for local people to sell their harbour under present conditions. I recognize the problem here, but it seems to me that in Windsor it is necessary to go through the stage whereby there are public facilities in addition to the small one now existing.

Mr. MARTIN (*Essex East*): Oh yes.

Dr. WEEKS: For instance, if that private development went through, then there would be a sound basis from which to launch a drive for further development.

Mr. MARTIN (*Essex East*): I agree. The facilities have to be extended. But do you not agree with an aggressive policy along the line that I have indicated, and that it is calculated to bring about results rather than waiting until the requirements arise? And it seems to me that this subject should be borne in mind as well: that the rail transportation rates or costs from Windsor are at a considerable disadvantage in comparison with the large distribution centre of Toronto. Freight rates there are roughly 25 per cent higher. Water transportation rates are much lower.

So it seems to me that consideration ought to be given to them as a means of building up the harbour facilities and of promoting water transportation. For instance, you can transport a bushel of corn from Chicago to Toronto cheaper than you can transport it from Windsor to Toronto by rail, but not by water.

Now it seems to me that that kind of situation simply highlights the great possibilities. I do not know whether you think this may or may not be a fair question to ask you, and if you think it is unfair, you need not answer it. But I think that the time has come when in addition to local economic assistance, there must come assistance from the government, which has in mind, as Mr. Chevrier just pointed out, the broad potential which is now envisaged from the building of the St. Lawrence seaway.

Dr. WEEKS: That is a question on which I would not care to make any comment. But there is one point to which you made reference previously and on which I would like to comment. It was in connection with local initiative which you felt is advisable in a city like Windsor.

It would seem to me that if this local initiative could find concerns in Europe, America, Canada, or elsewhere, which would be specifically interested in Windsor, and if these concerns would indicate to the harbour commissioners or to the local people not only a general interest in the harbour, but specifically what they would do in this harbour if X, Y, or Z facilities were available, then we would have an opportunity to decide the type of facilities which would be needed.

As you know, in quite a bit of modern port development there is considerable specialization in the type of facilities provided. For instance, if it happens to involve the movement of oil, there is no need to make solid, heavy, massive wharves. You can operate from dolphins, or from light weight jetties. And if on the other hand the industry is concerned with bulk movements, you would provide facilities for those bulk movements, which would be an entirely different type of structure.

We would like as far as possible to have an indication from local people and from industry in which they would state specifically what they would like to use, and how much they would undertake to use it. This would take us out of a general category and into something specific.

Mr. CHEVRIER: You are right. I think that is the crux of this whole matter. The statement you have just made together with the fact that you said you are chairman of the interdepartmental committee prompts me to ask you this question: what is the interdepartmental committee doing along the line of that suggestion, namely, is the interdepartmental committee studying and considering what traffic arising out of the seaway development will go to Windsor, or to Detroit, or to other Canadian ports along the St. Lawrence and the great lakes? That is what I am really concerned about.

I wonder if there has been on either side of the line a similar attempt made by your interdepartmental committee to ascertain in advance what kind of overseas traffic is likely to be attracted to Windsor, and also what internal traffic is likely to be directed to some other port such as Hamilton, or Toronto, and what lower St. Lawrence traffic is likely to be attracted to Baie Comeau or to Seven islands.

Dr. WEEKS: I might perhaps make one general comment about the way in which we operate, as I believe it has already been explained in the house, if I am correct. I was away for the last couple of weeks, so I was not able to follow the details.

Mr. CHEVRIER: And so was I.

Mr. HEES: You missed a great day.

Dr. WEEKS: But we have over the past two and one-half years—

Mr. HEES: And last fall.

Dr. WEEKS: —gone over the harbour situation from the lakehead right down to the Gaspé. It is true that there have been certain points where we have not been able to report on, such as lake Erie. That is an area where we

have made certain preliminary investigations, but we have not made the detailed analysis carried out at the lakehead, which we started to investigate in 1957. That was the first harbour development which the group undertook.

We have held the view that studying these specific harbours involved a consideration of any available information on the seaway, and in general on the economic outlook, so that we could come up with what we considered a reasonably significant answer. That is to say, rather than starting with a broad, overall general survey, we felt it was better to move from point to point against a background of economic development in Ontario, against a background of economic development in other parts of Canada, and in the light of available information on the seaway.

We appreciate, as I am sure you appreciate as well, that there are many uncertainties about which way this traffic will move; and we feel that as each case comes up, we should study it against the broad background and in the light of what we have seen in other parts of the seaway area. There are many harbours from the head of the lakes right through to Gaspé which are in the same position. If we consider the problem around Windsor, and the information available about industry in various other areas along the seaway, we realize that we have to deal with specific cases. You must consider what is happening in the specific area against the background of the economic situation, regionally, nationally, and as reflected by the seaway.

Mr. CHEVRIER: Have you not given any consideration to the fact, for instance, that there is a difference between overseas movement, and internal movement, also movements from the United States to Canada, which might mean that grain elevators are likely to be established in one area, while wharves would be established in another area, and something of the nature which you have described earlier in the study of the city of Windsor.

Dr. WEEKS: Yes. The study of grain delivery has received a great deal of attention. We have had several discussions about it with the wheat board, with the board of grain commissioners and with the national harbours board. For instance, we have visited Port Colborne, and discussed grain with the elevator people at Prescott and at Kingston.

About a year ago we went to Winnipeg and had a long discussion with the grain interests there and with representatives of the prairie provinces.

Mr. CHEVRIER: Do you not think you would be better off if you had the general picture of the economy of the seaway and of the various regions of Canada, as this committee two years ago made a recommendation to that effect?

Dr. WEEKS: It seems to me that such a study would not get you very far in so far as a particular harbour is concerned.

Mr. CHEVRIER: I agree with that; but would it not be better, before you went to a particular harbour, if you had the overall picture of the effect on Canada generally and then took up each particular harbour, as they did in the United States.

Dr. WEEKS: I think you may assume we are reasonably aware of the general studies which have been made in that respect. For instance, when we go to study a particular spot we do not just consider the information on that spot. We are aware of any studies, for instance, such as the study McGill university turned out on the St. Lawrence seaway; also we look at all the investigations made by the provincial governments. As you know, the province of Ontario has made various studies of particular regions in the province. One part of that, I believe, included studies by the Ontario planning and development department of areas like the one between Kingston and Montreal, the international section. They did a study on this and we were very well aware

of that. You can assume we have called upon all the expert opinions we could find, and also all the studies which have been available to us and to the public generally.

Mr. CHEVRIER: Have you seen the study made by the university of Indiana in conjunction with the Chicago board of trade on the movement of United States grain?

Dr. WEEKS: I have not had an opportunity to study it myself; my colleagues might have.

Mr. CHEVRIER: Have you seen the study made by the railways in the United States on the port facilities on the United States side?

Dr. WEEKS: Only in general.

Mr. CHEVRIER: Have you seen the complete report made by the Canadian National Railways on the whole area from St. Regis up to the foot of lake Ontario?

Dr. WEEKS: Yes.

Mr. CHEVRIER: Is it available for publication?

Dr. WEEKS: I am afraid this would have to be checked with the C.N.R. I am aware of these things, but I am not in a position to comment on them.

Mr. MARTIN (*Essex East*): I know, because one comes from Windsor, one is apt to overstate one's case, but I hope I cannot be accused of that. It just seems to me, Dr. Weeks, that while all these harbours have a great potential on the Great Lakes, that their potentiality must be determined by their opposites.

There surely is no area on the Great Lakes where the activity is as great as at Windsor and Detroit. There is a tremendous amount of activity going on in Detroit. I believe we could lose a great deal of business if we do not equate our business as closely as possible to that activity. Undoubtedly, this private development is very desirable, but I do not believe that it will be sufficient in the case of this particular project. My latest information is they are not sure of getting the credit facilities. I know another group is examining the situation. Can you say whether or not your department has had any discussions in that regard, for instance, with the Department of National Revenue as to making facilities available in order to encourage people to use harbour facilities on the Canadian side at Windsor, rather than Detroit?

Dr. WEEKS: So far we have left the question of discussion with customs to the harbour commissioners, feeling that this was one point where local initiative perhaps should be used to the full. In any discussion with them we have stressed always they should make sure that the attitude of the United States customs and of the United States authorities should be clarified. This is one point in which we felt the commissioners should use their own initiative.

Mr. MARTIN (*Essex East*): I think local initiative is important, and perhaps most important, but that does not preclude an exercise of great interest on the part of the department, which I am sure it will continue to exercise. Having seen this area many times, as has the minister, I would like to suggest in order to indicate that I have not been overstating my case, that some day the minister take a Viscount and take the whole committee down to Windsor. I am sure you will find there a potential which does not exist anywhere else in Canada.

Mr. HEES: I would like to ask Mr. Martin, in view of his great interest in this city, if he has discussed with the Windsor harbour commissioners these matters on which he is asking questions here?

Mr. MARTIN (*Essex East*): Yes. I had some discussion with the Windsor harbour commissioners. The minister will remember the occasion when I

arranged for the harbour commissioners to meet with him. Yes; I have discussed this. Mr. Dinsmore, the chairman, Mr. Gregory and Mr. Davidson are all friends of mine. I believe they would not disagree basically with the confidence I have.

Mr. HEES: I am not questioning your confidence. I wonder if you asked them these particular questions.

Mr. MARTIN (*Essex East*): Yes. Not very long ago I had a discussion in detail on this with one of the commissioners.

Mr. SMITH (*Simcoe*): Mr. Martin has suggested that the amount of traffic which passes by Windsor is one of the factors which should be considered in the development of the port of Windsor. Is it not true that one of the chief factors in developing a seaway is based upon the depth of the industrial heart-land behind the port.

Dr. WEEKS: Certainly this is a significant factor and, of course, is one of the reasons why Toronto and Hamilton have been developed as seaway ports, and equally also one reason why, in a different sense there has been a development at the lakehead. You do not have the immediate density of population behind the lakehead, but it is serving as an outlet for western Canada.

I think there is another point here which was being stressed by Mr. Martin; that is, he is interpreting the Windsor position, if I judge it right, as a position which must be considered not only in the light of the population in the immediate vicinity on the Canadian side, but also the population density and industrial development on the United States side immediately across the river where facilities are somewhat limited. Is that correct, Mr. Martin?

Mr. MARTIN (*Essex East*): Yes.

Mr. SMITH (*Simcoe*): It is reasonable to assume the United States government and Michigan state are going to allow us to use their facilities.

Mr. MARTIN (*Essex East*): But their facilities are crowded.

Dr. WEEKS: I think Mr. Martin will recognize, of course, that this is one of the problems, as you indicated, in connection with the United States customs; this question of being sure whether or not certain arrangements can be made with the United States authorities.

Mr. SMITH (*Simcoe*): Is it not true that the seaway was built in order to reduce freight costs, generally speaking, in order to make transportation cheaper?

Dr. WEEKS: I think this could be regarded as a basic factor.

Mr. SMITH (*Simcoe*): In developing a seaway port, is not one of the prime factors the cost of secondary transportation to that port or from that port to the ultimate destination of the goods?

Dr. WEEKS: Yes. I think that any development which takes place has to be assessed not only on the basis of the immediate requirements in the port area, but also on the movement of goods to and from that port and the cost involved.

Mr. SMITH (*Simcoe*): Then does it now follow that it is more likely that the ports which will be developed first will be the ports which can serve the greatest industrial area with reasonable cost for secondary transport.

Dr. WEEKS: Or perhaps one might say that the natural tendency would be for the greatest developments first to be concentrated where there is an immediate market right behind the port. In this sense the industrial complex of Toronto and Hamilton obviously is a complex which would call for rapid and early development to meet seaway requirements, and I believe that has been done. As you know very extensive dredging and port developments

took place at those two ports. In this instance the question of serving other areas, in my opinion, was not as urgent as in the case of Toronto and Hamilton and the head of the lakes.

Mr. SMITH (*Simcoe*): I have one final question. I may have misunderstood Mr. Chevrier, but I understood him to suggest that a port development such as the very necessary port development at Fort William and Port Arthur ought to have been further delayed until after a general survey had been made of the whole seaway system.

Mr. CHEVRIER: Mr. Chairman, on a point of order; I do not like Mr. Smith getting away with that sort of statement. He has misunderstood me. My suggestion was that there should be an overall survey, one that could have been made several years ago, and armed with that it would have been possible today to be able to deal more effectively with the various ports all along the route of the seaway.

Mr. HEES: I asked a question in the house on Wednesday. I am sorry Mr. Chevrier was not present. I notice Mr. Chevrier is very keen about this general economic survey; he became interested in it in December, 1957. It seems to me, Mr. Chairman, as I pointed out on Wednesday, there were two occasions on which these surveys which he is so keen about could have been made before the seaway was built. After all, before we undertake harbour extensions and so on even of a small monetary outlay we have economic surveys. He is very keen about that, and we all are. Do you not think it would have been a good thing to have an economic survey before the expenditure of \$350 million for the seaway was started? Do you not think that perhaps an economic survey of all these harbours could have been taken perhaps in 1955-56 or as late as the spring of 1957, two years before the seaway was due to open, in order to give them an idea—which he is keen about—regarding their potential in the whole seaway picture? Such a survey, if it had been given to the harbours before the seaway was complete, would have given them an opportunity to study it and if they believed the forecast was correct they could have gone ahead and built additional wharves and so on.

It seems strange to me now that Mr. Chevrier is so keen about this general economic survey which at those two various times, when he was first of all Minister of Transport and secondly when he was president of the St. Lawrence seaway authority, he did not seem to have any interest in. Why the sudden interest in December, 1957, and no interest when he was minister before the seaway was started, when we were going to spend \$350 million and at a time when the harbours could have done something to prepare themselves?

Mr. CHEVRIER: I am very glad the minister has asked that question and has stopped making a speech so that I can answer the question. First of all I will tell him that his memory should be refreshed on one or two things which apparently he has forgotten. Before I come to that, let me say that the first thing the former administration did was to get an agreement in respect of building the seaway. That was the first and most important thing we had to do. We were not concerned at the time—I might as well be frank—about port development. We had to conclude an agreement with the United States which took 50 years to complete. We had to make an agreement with the province of Ontario which took many years to finalize and also had to have discussions with the province of Quebec. The first and important thing to do was to get an agreement, international, federal and provincial with reference to the development of power and navigation on the St. Lawrence seaway. That took a long time and came very close to falling by the wayside. Perhaps the minister does not remember it. He was on the opposition side criticizing, in those days.

Mr. HEES: I know we came very close to building the seaway ourselves.

Mr. CHEVRIER: That is what we were concerned with over a period of at least five years.

After the project began to take shape, when the contracts had been awarded and so on, we did start an economic survey of the impact of the St. Lawrence seaway upon the various regions of Canada. It was following that juncture I made a motion in this committee which the committee approved and recommended, but which the minister paid no attention to at all. It seems to me one of the first things the minister should have done would have been to give consideration to a recommendation made by a committee composed in majority of Conservative members of this committee.

Mr. HEES: The hon. member has not answered my question at all.

Mr. CHEVRIER: I am answering your question.

Mr. BELL (*Saint John-Albert*): What point are we at?

Mr. HEES: I asked him why he did not do it when the seaway was started and while he was still president of the St. Lawrence seaway authority two years before the seaway was completed, and why he did not ask the Department of Transport to have such a survey made; but there was no interest then when he was in a position to do something about it.

Mr. CHEVRIER: I have already told you that when I was president of the St. Lawrence seaway authority there was an economic survey started.

Mr. HEES: What happened to it?

Mr. CHEVRIER: It was not completed prior to the change of government. That is the reason why I made the motion here to have the committee approve of the continuance of the survey. This committee approved of the recommendation which was made and you paid no attention to it at all.

The CHAIRMAN: Gentlemen, we are getting off the track.

Mr. CHEVRIER: We may be, but I am going to answer the questions the minister has asked.

The CHAIRMAN: But we are on the Windsor harbour bill.

Mr. CHEVRIER: The minister asked two questions, and I want to deal with them.

Mr. HEES: When did you start your economic survey of the seaway?

Mr. CHEVRIER: I cannot give you the exact date, but I would say sometime in 1956-57. All you need do is ask the present chairman, or the former chairman, Mr. Gavsie, of the St. Lawrence seaway authority, and you will find out that an economic survey was started, parts of which I used from time to time during the term of office I was there. My whole idea, and that of those who worked with us on the other side of the international line—the St. Lawrence seaway development corporation—was that there should be an overall study of the economic impact of the St. Lawrence seaway upon the various regions of Canada, and the United States so that we might know whether Canadian wheat might be likely to move through Canadian or American ports, or whether American wheat would come from the mid-west states down to Montreal, and what kind of overseas cargo would move through the Canadian ports. That in part was the object of that survey. When I left, the survey was not completed. I believe it was complete to about 25 or 30 per cent.

Mr. BELL (*Saint John-Albert*): Everybody stopped working on this the minute the government changed.

Mr. CHEVRIER: I do not know what happened after I left.

The CHAIRMAN: We cannot have this.

Mr. BELL (*Saint John-Albert*): He is making quite a charge.

Mr. CHEVRIER: You were a member of this committee which approved the recommendation and absolutely nothing was done.

Mr. HEES: We discussed this thing in the Department of Public Works and the Department of Transport and we decided that the kind of survey you suggested at that time was not a practical one. We felt that the interests of the harbours of Canada in their development would be best served by the kind of survey we have carried out, and which has had great success already in 29 ports.

Mr. CHEVRIER: You are not carrying it out with great success, as I hope to be able to establish later.

Mr. HEES: Go to the harbours and ask them, and they will tell you it is a great success.

Mr. SMITH (*Simcoe North*): I suppose this is partly on a point of privilege, Mr. Chairman. A great deal has been suggested. I was on the committee when the recommendation was made that a general survey be made, and I supported that recommendation. Possibly I supported it through my lack of knowledge. I am willing now to admit it was too late to make that kind of a survey. The problems we were faced with were so immediate I do not think the government could have done anything but make individual surveys to deal with individual problems. A general survey was too late. We were going to let Fort William and Port Arthur stagnate until this general survey was 25 per cent completed in June, 1957. What we had to do was to rescue as much of the seaway business as we could.

Mr. CHEVRIER: What has been done?

Mr. SMITH (*Simcoe North*): It was too late to support a general survey. What we need are immediate facilities to get on with.

The CHAIRMAN: Shall clause 1 carry?

Some Hon. MEMBERS: Carried.

Mr. CHEVRIER: Just a moment, Mr. Chairman, there are some questions I would like to ask Dr. Weeks.

Dr. Weeks, has your committee given any consideration to the cost of port development along the St. Lawrence and great lakes, on the Canadian side of the line?

Dr. WEEKS: You are referring to the cost of port development? Do you mean the probable cost, port by port?

Mr. CHEVRIER: No, what I had in mind is whether or not you have given any consideration to the cost of development of ports and harbours on the Canadian side of the line, such as the National Harbours Board has done for Montreal, Vancouver, Quebec and such places.

Dr. WEEKS: Certainly, as each port has been investigated, where, for instance, we have made recommendations for development, estimates have been drawn up on the probable cost. I take the one case, to start at the beginning; that is the port up at the head of the lakes. The estimated cost of development is \$7½ million.

Mr. CHEVRIER: What is the total cost, in so far as your committee can establish it, of this development on our side of the line?

Dr. WEEKS: I do not think you could really expect us to draw up a specific total cost, because this is a developing situation. At the head of the lakes we felt the first stage would be \$7½ million. Nevertheless, our planning calls for seven additional berths beyond the original three; that is, we have plans to carry this to ten.

In certain other areas—we have the case Mr. Martin brought up, that of Windsor. The cost of development there will be determined to a very large

extent by what private people put in. If private development goes ahead they would be putting in a wharf along part of this 42-acre area. If this development does not go through there will have to be a reassessment as to what the federal government might perhaps put in.

Mr. MARTIN (*Essex East*): If there is no private development the contribution of the federal government will have to be greater?

Dr. WEEKS: Yes. Consequently, it is very difficult to come out and say it is a definite figure. This depends on many factors in a fluid and developing situation.

Mr. CHEVRIER: How is it that in Montreal it is possible to say, "We are going to develop the port facilities there, in anticipation of what is likely to happen, to the extent of \$100 million"? In Chicago, likewise—

Mr. SMITH (*Simcoe North*): Is it possible?

Mr. CHEVRIER: Yes, it is. In Toronto, likewise.

Dr. WEEKS: As far as Toronto is concerned, the proposals to which you are probably referring are those which have been indicated by the Harbour commissioners. You probably realize these are just tentative suggestions by the Harbour commissioners, and they will be approaching the federal government to ask for some federal participation in these developments. The extent of that participation will presumably be determined, as the minister suggested here a short time ago, on the capacity of the Toronto harbour commissioners to carry the financial burden, and on the general validity of the development as such, as assessed by the federal government. So, it is not possible at this stage to say there is going to be a \$15 million development in Toronto or a \$60 million development. The harbour commissioners have referred to \$15 million as a short term sum, and \$60 million as a long term. I say, at this stage it would be very difficult to pin this down.

Mr. CHEVRIER: Is there any sum you can give for port development in Canada—say, \$50 million, \$100 million?

Dr. WEEKS: No, sir. I do not think it would be a realistic figure if I did give a figure, because it is impossible, at this stage, to determine it, in a fluid and developing situation.

Mr. CHEVRIER: You know they have done that in the United States?

Dr. WEEKS: Yes, but I do not think it follows we should do the same thing here, when it is not realistic.

Mr. HEES: Hear, hear.

Mr. McPHILLIPS: I want to ask a question about this municipality of Ojibway. How does it stand? It has been consulted. What is their attitude?

The CHAIRMAN: Will you repeat that question, Mr. McPhillips?

Mr. McPHILLIPS: I want to know what the position was in so far as the municipality of Ojibway was concerned. It is mentioned here, and it presumably is waterfront property.

Mr. STEAD: My understanding is they concurred in this amendment.

Mr. McPHILLIPS: Your understanding is that?

Mr. G. W. STEAD (*Assistant Deputy Minister, Marine*): Yes.

Mr. McPHILLIPS: Have we not anything more definite than that?

Mr. W. J. MANNING (*Director of Marine Works, Marine Services, Department of Transport*): My understanding is that Ojibway made a request to the Windsor harbour commission; that their area be included in the Windsor harbour commission area.

Mr. BROWNE (*Vancouver-Kingsway*): Maybe Mr. Martin has some friends in Ojibway?

Mr. MARTIN (*Essex East*): I have friends all over Essex county.

Mr. HEES: Not so many now.

Mr. BROWNE (*Vancouver-Kingsway*): What, after the last election?

Mr. ALLMARK: Could Dr. Weeks tell me the tonnage that goes in and out of the Windsor harbour—say, last year, by ship?

Dr. WEEKS: Those figures we have not right at our fingertips. Presumably, in connection with those figures, you are implying not only the tonnage over any government facilities but over private facilities, including the C.S.L.

Mr. ALLMARK: All of them.

Dr. WEEKS: This is a figure we would have to get from the bureau of statistics.

Mr. MARTIN (*Essex East*): I do not quarrel with your asking a question, but the answer would not necessarily be very helpful. We want to increase that tonnage: instead of it going to Detroit, Buffalo, Chicago or Toronto, we want it to come to Windsor. That is the point.

Mr. CHEVRIER: Dr. Weeks, have you not the amount of tonnage that was going through in the 1959 season of navigation?

Dr. WEEKS: Yes, but I have not the figures with me today. We get them regularly from the Bureau of Statistics. I believe the 1959 figures are available on a preliminary basis, but I have not them with me.

Mr. CHEVRIER: What about the 1958 figures?

Dr. WEEKS: Yes, but I have not them with me today. I will send them, if you wish.

The CHAIRMAN: Or we could have them put in as an appendix to the minutes of this meeting.

Mr. MARTIN (*Essex East*): I ask you one final question—

The CHAIRMAN: Just a minute, Mr. Martin. Would you like them put in as an appendix, Mr. Allmark?

Mr. ALLMARK: Yes, I think that would be satisfactory.

The CHAIRMAN: Is it agreed, gentlemen?

Agreed.

Mr. MARTIN (*Essex East*): Do you not think, Dr. Weeks, having regard to your knowledge of the Windsor situation and the great potential, that if we had the facilities there we could get infinitely much more shipping business than many people now are inclined to admit?

Dr. WEEKS: I would rather put this qualification in, that it would be more encouraging, from our point of view, as far as putting in facilities is concerned, if we could get some indication of specific interest on the part of private concerns wanting to go into Windsor. This is why we were very enthusiastic about the interest shown by this European group.

Mr. MARTIN (*Essex East*): That is understandable, but my question was: Do you not think, in a place where river traffic is so heavy, that with appropriate facilities there would be considerably added business?

Dr. WEEKS: I know—

Mr. MCGREGOR: What has this to do with the bill?

Dr. WEEKS: There would be this further qualification, that there seems to be one little barrier at the moment, and that is the question of making sure there is adequate cooperation with the American customs authorities in controlling movements across the river.

Mr. MARTIN (*Essex East*): I agree. Mr. Hees is going to take care of that.

Mr. HEES: You, as the member of parliament, I know will take it up.

Mr. CHEVRIER: What is the depth of water along the waterfront?

Mr. WEEKS: At Windsor?

Mr. CHEVRIER: Yes.

Dr. WEEKS: 27 feet.

Mr. CHEVRIER: Is it over all the area that is being extended in this bill?

Dr. WEEKS: There is deep water down through the Ojibway area, and it is more than 27 feet in many cases. That is the minimum depth.

Mr. MARTIN (*Essex East*): No immediate dredging is contemplated?

Dr. WEEKS: No, any dredging involved would be of a minor nature.

The CHAIRMAN: Does clause 1 carry?

Clause 1 agreed to.

The CHAIRMAN: Does the preamble carry?

Preamble agreed to.

The CHAIRMAN: Does the bill carry?

Agreed to.

The CHAIRMAN: Shall I report the bill without amendment?

Agreed to.

The CHAIRMAN: Now we are on bill S-5, an act to incorporate the Oshawa harbour commissioners.

On clause 1—Short title.

Some HON. MEMBERS: Carried.

Mr. CHEVRIER: May I inquire from Dr. Weeks what the position is here for the overall development?

Dr. WEEKS: I think there are differences in the Oshawa position, as against both Windsor and, ports like Toronto and Hamilton. In the first place, in Oshawa there is not a depth of water which corresponds to the depth at Windsor.

Mr. CHEVRIER: That is really the point I was leading to. How far are these facilities that are established, or that are about to be established, from the channel?

Dr. WEEKS: The depth we are aiming to maintain in Oshawa harbour is 23 feet on datum 243.

Mr. CHEVRIER: How far is that? What is the distance between the area where this is going to be maintained, and the channel?

Dr. WEEKS: Well, when you say "the channel" this means the lake as far as Windsor is concerned.

Mr. CHEVRIER: As far as Oshawa is concerned?

Dr. WEEKS: As far as Oshawa is concerned, excuse me. You have a bottom which slants, and to get this 27 feet would carry out quite a distance. I cannot say, from an engineering point of view, what the distance is out into the lake, but it would be quite considerable.

Mr. CHEVRIER: Is it a matter of miles?

Dr. WEEKS: No, it would not be a matter of miles. But to drop this depth from 23 feet to 27 feet, or to the seaway depth, would be a rather costly proposition. It would run into millions, as I understand it. I cannot say exactly what it would cost.

Mr. CHEVRIER: Does that mean that ocean ships, with a draft of 25½ to 26 feet could not get into the Oshawa harbour?

Dr. WEEKS: That is right.

Mr. CHEVRIER: So that the Oshawa harbour would be limited to a draft of 22½, 21 feet?

Dr. WEEKS: As at the present stage of development because, as I mentioned in a previous comment, we would regard the situation as a constantly developing and fluid one. At the present stage of development we feel we would not be warranted in spending the additional funds that would be involved.

Mr. CHEVRIER: Whose responsibility would it be to spend these funds, if a decision were taken? Would it be that of Transport or Public Works?

Dr. WEEKS: Public Works.

Mr. CHEVRIER: And could you give the committee some idea of what facilities are contemplated at present?

Dr. WEEKS: Yes, I think, as a background to this, we must bear in mind the fact that Oshawa is basically a bulk material port. It handles mainly coal aggregate, sand and so forth.

Let me add here that we recognize the fact that the existing facilities at Oshawa are fully utilized. There is very little room for any manoeuvring one way or another. Consequently, we are looking into the design of further bulk loading facilities. It is under engineering study at the moment. You know the harbour; and this is on the right hand side, going in. This facility would be designed, as a bulk handling facility.

There are other spaces in the harbour—particularly at the rear of the harbour—which are open for further development; and if it turns out that industries develop needing facilities other than bulk loading facilities, there is room for this development, and our engineers have actually drawn up tentative plans for such expansion, as and when we want it.

The CHAIRMAN: Shall clause 1 carry?

Some hon. MEMBERS: Carried.

Mr. ALLMARK: Could Dr. Weeks provide tonnage figures for Oshawa harbour too?

The CHAIRMAN: Could you secure tonnage figures for Oshawa harbour as well?

Dr. WEEKS: Presumably you would like to have these figures for 1958 and 1959, Mr. Allmark?

Mr. ALLMARK: That would be fine.

The CHAIRMAN: Is it agreeable the figures be appended as an appendix to the minutes of proceedings of this meeting?

Agreed.

Mr. ALLMARK: One further question. The present policy of the government is to pay 50 per cent of the dredging costs in connecting the channel from the dock to the main channel to the lake. Under this system of the harbour commissioners, does that policy change? Do the government pay all the cost?

Dr. WEEKS: The general practice of the Department of Public Works is, as you know, that dredging at private berths should be carried out by the private concern involved. Dredging of the main channels, of course, would be carried out by the Department of Public Works. Between the main channel and the berth, the dredging is shared. This is generally on the basis of 50 per cent, but if there are exceptional circumstances that figure may be altered one way or the other.

On the point, as far as the harbour commissions are concerned, there have been certain exceptions to the general practice, whereby the Department of Public Works paid the additional cost of the dredging, not only in the main channels but in the approaches as well. The commissioners, by and large, would not carry out the dredging. Toronto is one of the exceptions, where the commission there has done a certain amount of dredging in its berths.

Mr. ALLMARK: Can I assume that in the case of a harbour which does not have a harbour commission, they would put one in and, instead of the government paying 50 per cent, then the government would pay it all?

Dr. WEEKS: I do not quite understand your point, Mr. Allmark.

Mr. ALLMARK: What I am thinking about is our own case, in Kingston, with which you are very familiar. The government is paying 50 per cent of the dredging in the connecting channels, from the private docks.

Dr. WEEKS: This would not be changed in the event of a commission. When I mentioned that, as far as the commission was concerned, what I had in mind was private wharves in public harbours, and we are not altering the position vis-a-vis private wharves.

Mr. SMITH (*Lincoln*): Is there a minimum depth that a harbour must be before you consider setting up a commission?

Mr. STEAD: No, sir.

Mr. SMITH (*Lincoln*): That would be concerned with anything up to 14 feet.

Mr. STEAD: That depends on three points; those indicated by the Minister of Transport. They are: local initiative being forthcoming; reasonable prospects for development; and revenue being sufficient to support the separate administration.

Mr. CHEVRIER: May I follow that up? Is that not studied in conjunction with the inter-departmental planning committee?

Mr. STEAD: Well, sir, the inter-departmental committee's job—and of which Dr. Weeks is chairman—relates primarily to works, although we have developed quite a lot of other channels of communication, at the official level, between the Department of Transport and the Department of Public Works—and we use this for things of that nature. The setting up of the commission is the responsibility of the Department of Transport.

Mr. CHEVRIER: If some community on the Pacific or Atlantic coast wanted to set up a harbour commission, would you apply to it the three norms you have just mentioned.

Mr. STEAD: Yes.

Mr. CHEVRIER: Without regard to the recommendation of a planning committee such as that of which Dr. Weeks is chairman.

Dr. WEEKS: If I might interject, I think it could be assumed, in a case like this, there would be an investigation carried out by this inter-departmental group.

Mr. CHEVRIER: So, it is accurate to conclude that a harbour commission would not be set up until some study had been made of it by your committee?

Dr. WEEKS: This has not been universal practice. However, this has applied, for instance, in the case of Oshawa, where we did make this sort of study. The head of the lakes was another case where the committee made a study, and a commission was formed. This did not apply in Nanaimo. Although I do not wish to speak for the Department of Transport, because I am from public works, I think you can assume in future, if developments arose, as you suggested, in the Atlantic provinces, that the inter-departmental group would make an investigation prior to any commission being set up.

I say this, subject to your approval.

Mr. HEES: I will agree to that.

Mr. SMITH (*Simcoe North*): In speaking of port development, the witness used the term "local interest and local initiative". Do you refer to local initiative in building harbour facilities, or in providing freight and cargo when the harbour facilities have been built?

Mr. STEAD: I think there are two points which should be kept separate in this. The set-up of the commission is an administrative act. What we are doing, in fact, is transferring to local initiative, through the harbour commission, a function previously carried out by the Department of Transport which, as you know, under the Government Harbours and Piers Act, is obliged to administer facilities of this type built by the Department of Public Works. Reference to local initiative refers to the administrative aspect—that is to say, all the facilities they start with, that were previously administered by D.O.T., and any facilities put in with public funds later, are administered by the local harbour commission—and we hope they drum up business.

Mr. SMITH (*Simcoe North*): I was referring also to Dr. Weeks' use of the term—when he said: "local initiative and local interest"—not so much in providing the harbour commission facilities, but do you mean by that, if local people want to build docks, or come to you and say they will provide "X" number of tons shipping per year, if the docks are built—

Dr. WEEKS: If I may interrupt, let me clarify a couple of points.

In so far as the public facilities are concerned, of course, the Department of Public Works builds them, unless we reach a point where the local harbour commission is in a position to make a significant contribution itself. That is one point in regard to local initiative. What I meant to infer, from any comments I made in the past, was that it was very helpful from our point of view, if firms will indicate not only general interest in the harbour, but the kind of specific interest which would suggest that if we have "X" type of facilities in the harbour, it would be used to the extent of "Y", in regard to movement—what sort of stuff coming in and what kind of material going out, and what volume. It is that sort of initiative which I think is helpful from our point of view, not only in determining the need for the wharf as such, but the kinds of wharves.

Mr. CHEVRIER: May I ask a question?

The CHAIRMAN: Proceed.

Mr. CHEVRIER: The harbours, other than those that become harbour commissions, are under your jurisdiction. What do you do in the case of a community which comes to you—for advice as to whether or not it should remain the way it is, or take the initiative to form a harbour commission?

Mr. STEAD: That has happened, and we have given them advice based on either our existing knowledge, or we do go out—as we have done—and pay them a visit; we get the facts and advise them accordingly.

Mr. CHEVRIER: Do you get the inter-departmental team onto the scene to ascertain whether or not there is likely to be enough business to warrant the establishment of a harbour commission?

Mr. STEAD: This has been done, yes.

Dr. WEEKS: If I might again interject—and I do not wish to speak too much—I can think of two cases—and I will not mention names—where the local people, through the course of the visit of the inter-departmental group, asked our opinion as to whether now was the appropriate time for them to go ahead and apply for harbour commission status. In the two cases concerned, we suggested that the time was not yet ripe, that it would be better to see the course of development for the next few years, and to ascertain just what kinds of revenue they might expect. Then we would keep the situation under review, and if the situation developed favourably, we would suggest they go ahead.

Clause 1 agreed to Clauses 2 to 25 inclusive agreed to.

Preamble agreed to.

Title agreed to.

The CHAIRMAN: Shall I report the bill, without amendments?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Gentlemen, we now are on bill S-10, an act to incorporate the Nanaimo harbour commissioners.

On clause 1—"short title".

Mr. McPHILLIPS: I would like to know whether the suggested boundaries for Nanaimo harbour are the same as under the present set-up, under the Department of Transport?

Mr. STEAD: Are you referring to the six-harbours agreement?

Mr. McPHILLIPS: Well, no. Under the present administration, the harbour of Nanaimo is defined.

Mr. STEAD: The boundaries, under the bill, are somewhat larger.

Mr. McPHILLIPS: That is what I thought. Do you have a map of that? The metes and bounds description is difficult to follow.

Mr. STEAD: I have a map showing the boundaries as proposed by the proponents of this harbour commission—the city council and the chamber of commerce—but it does not show on this map where the existing boundaries are.

Mr. McPHILLIPS: I rather wondered, because it purports to include Dodd Narrows, which is a deep water channel for general navigation. It seems odd that that would be taken into the harbour.

Mr. STEAD: I am sorry, but I have not a map with me, showing the metes and bounds. Perhaps we could get it for you, sir.

Mr. McPHILLIPS: Surely Dodd Narrows is a very well known deep water channel. I wondered why it would be in the harbour area and, if it was, if there would be some very good reason for it.

Mr. STEAD: All I can say, generally, is that the idea in determining these boundaries is to include the whole area that is likely to be developed in the future, so it will be under orderly control. That is the principle involved.

Mr. DRYSDALE: Mr. Chairman, I have just one or two questions.

Is this a standard bill—the same bill that is used for all harbour commissions across Canada?

Mr. STEAD: Yes.

Mr. DRYSDALE: In the case of harbour commissioners that are established, are amendments made to their act, to bring them into line?

Mr. STEAD: Are you asking whether the old acts have been brought into the same pattern?

Mr. DRYSDALE: Yes.

Mr. STEAD: No, but there has been some study given to some of those, with that sort of objective in mind.

Mr. DRYSDALE: So there is not complete uniformity at the present time?

Mr. STEAD: No.

Mr. DRYSDALE: In regard to Nanaimo harbour, what is the present situation with regard to the landing of seaplanes and rates charged; and what is likely to be the situation after the harbour commissioners take over?

Mr. MANNING: The commissioners will make their own rules, which have to be approved by order in council.

Mr. DRYSDALE: Is there an area designated in Nanaimo harbour for seaplanes?

Mr. MANNING: Yes, I think there is.

Mr. DRYSDALE: Is there a charge being made at present?

Mr. MANNING: Yes, I think so. "Air services," under the Department of Transport, are administering that.

Mr. DRYSDALE: Is it the same charge as they make in Vancouver harbour?

Mr. MANNING: I could not say, sir, but I could find out.

Mr. DRYSDALE: Do you know what the purpose of this charge is?

Mr. MANNING: Maintenance and administration in regard to the floats.

Mr. STEAD: It would be the equivalent of landing fees at an airport.

Mr. DRYSDALE: In regard to the matter of expropriation, why is the railway act used, and not the expropriation act?

The CHAIRMAN: Perhaps Mr. Fortier could answer your question.

Mr. JACQUES FORTIER (*Departmental Counsel, Department of Transport*): The reason for that is this. The expropriation act is used when the property is vested in the crown; the railway act is invoked when the property is vested in the commission.

Mr. DRYSDALE: Is that the only difference? If that is so, you could have provided for that in the act. Are the two identical? I have not had a chance to look.

Mr. FORTIER: Yes, very much so. They are very identical, except, of course, it would have to be signed by one of the commissioners.

Mr. DRYSDALE: Under these particular acts, could you expropriate property for the purpose of establishing sand-spoil areas?

Mr. FORTIER: I do not understand your question.

Mr. DRYSDALE: Well, in some of the harbours, it is necessary to dredge the sand, and deposit the spoil somewhere along the harbour. One of the difficulties which some of the commissioners have experienced is finding space to put that sand. Would this act permit that type of expropriation?

Mr. FORTIER: The act would allow the commissioners to expropriate for all purposes—for all works of the commissioners.

Mr. DRYSDALE: Is that a work of the commissioners?

Mr. FORTIER: As I mentioned, the dredging comes under the purview of the Department of Public Works. If the dredging was done by that department, it would be up to them to find a proper place to deposit the spoil.

Mr. DRYSDALE: You do not know, then, whether or not they would be entitled to expropriate for that purpose?

I have one other question. Is there any uniformity of remuneration for the various harbour commissioners across Canada, or how is it established?

Mr. STEAD: No. It is established by the governor in council. There has developed, over the years, some disparity in these provisions. The bulk of them are not paid at all. The work is regarded as a public service. I think in approximately one third of them there has been some remuneration; there is some small fee, but it has not been uniform.

Mr. DRYSDALE: There are no criteria.

Mr. STEAD: Of course the volume of business in the harbour, and the amount of time put in by the commissioners, will vary, for one thing.

Mr. DRYSDALE: One other point: what is the situation with regard to the establishment of harbour police? Do they enforce the provisions of the criminal code within the harbour. If so, how do they get power to enforce it?

Mr. FORTIER: The members who are appointed by the commissioners would have to go before a judge and be sworn in as constables. They would have to be sworn in under the provisions of the local provincial act.

Mr. DRYSDALE: Are they sworn in under the provisions of the criminal code, or what act? You provide, in the by-laws, for the maintenance of order and the protection of property within the harbour, and the appointment of constables and such other officers as the corporation deems necessary to enforce its by-laws, as well as any statute or other law relating to the harbour. I am trying to ascertain what the legal position is in regard to these particular constables.

Mr. FORTIER: They would have full authority within the limits of the harbour, to enforce the provisions of the criminal code, provided they were duly sworn in under provincial law.

Mr. DRYSDALE: There are the R.C.M.P. in British Columbia; would they have to be sworn in as special R.C.M.P. constables?

Mr. FORTIER: I could not say whether they would have to be or not.

Mr. DRYSDALE: Well, does the appointment of constables then, under the by-laws, mean anything?

Mr. FORTIER: Yes. Within the limits of the harbour, they would have full power and authority to enforce the by-laws and the regulations.

Mr. DRYSDALE: I would assume that under a specific statute they would have to have power to arrest.

Mr. FORTIER: Yes.

Mr. DRYSDALE: There is no power to arrest given in the act.

Mr. FORTIER: Well, once they are sworn in as constables within the meaning of whatever provincial legislation is in force, they would have full power and authority to enforce the provisions of the criminal code.

Mr. HEES: Would they not be exactly the same as city police, who have rights given to them by the city authorities? The harbour commission is, in a way, a creature of the municipal authority, and would they not derive the same kind of powers?

Mr. DRYSDALE: What I was trying to establish is that if they have to be sworn in as R.C.M.P. special constables, why not have it in the act that they be made R.C.M.P. special constables, if that takes in the whole jurisdiction, and if they have not any power under this act.

Mr. STEAD: This bill, and the acts that follow from it or similar ones, are intended to transfer powers now in the federal authority, with regard to policing of the harbour for navigation purposes, to a harbour commission. It does not say anything about other powers. This is based on the federal government's constitutional right to deal with navigation. I think you will find in other sections of the bill references to seizures, and so forth. This is a sort of penalty which a police officer, operating under the harbour commission, could impose. If, by private arrangement, which I think occurs in Toronto, the harbour police enforce city rules and so forth—and this is a matter of arrangement, which brings up Mr. Fortier's point about swearing them in as officers of the force which has normal responsibilities for, shall we say, shore-going law.

Mr. DRYSDALE: The only reason, Mr. Chairman, I was trying to bring this to the attention of the committee is that under the specific act, if they appoint them as constables, they can only do the things mentioned in this particular act. If they, for example, were sworn in as constables, having the right to seize an individual—they have the right to seize vessels—I do not know; I have not looked at it too closely—

Mr. STEAD: The power would not be conferred by this act?

Mr. DRYSDALE: Yes; and the harbour commissioners would perhaps be exposed to an action for wrongful arrest.

Mr. STEAD: I would think so.

Mr. DRYSDALE: The point I was trying to get at is this: I think it should be drawn to the attention of the harbour commissioners that they would probably, in addition to the special powers under this act, have to have the constables appointed—as, for example, in British Columbia—as special R.C.M.P. constables.

Mr. STEAD: That might be, for other purposes. All this bill does is transfer powers that now reside in the federal government. It does not purport to transfer any other powers, for things other than navigation.

Mr. DRYSDALE: I do not want to interfere with the legislation, but I was wondering if consideration could be given, for the future, to this situation. It is just with a view to protecting the particular harbour commissioners and making sure the constables have all the power that is intended, because it seems to be a needless duplication to have them appointed as constables.

Mr. STEAD: They are being given powers here that are federal. If, by arrangement, the commissioners, or the city, at some time wish harbour police to do work for them, that is a matter of arrangement between the independent corporation being here set up and the other local body concerned.

Mr. FORTIER: The constables appointed under this act would not take away any of the jurisdiction of the Royal Canadian Mounted Police in British Columbia to administer or enforce the provisions of the Criminal Code or any other statutes, because all these other acts would have full application within the limits of the harbour.

Mr. DRYSDALE: One of the difficulties that we perhaps have out in British Columbia is the matter of pleasure boats, and a lot of young people fooling around in pleasure boats.

What I am trying to get at is this: If somebody tried to go into the harbour and go joy-riding, and caused all kinds of difficulties, I would question whether a constable there would have the power to arrest that particular individual.

Mr. STEAD: The small vessel regulations refer to a peace officer. How one becomes a peace officer, I would take it, would be a matter of provincial law.

Mr. DRYSDALE: We are dealing particularly with British Columbia. The Royal Canadian Mounted Police are under a federal statute, and the constables are appointed under a federal statute. I was trying to suggest this, that since in the majority of provinces they have agreements—it is a federal matter—I think it is important that the commissioners ascertain that they have the power to arrest. It may not be in some of these other places, but in Nanaimo, which is a big pleasure boating center—and Vancouver, and these other places—they are having difficulty with the odd person who does not know how to run a pleasure boat. If the commissioners are appointing constables, I cannot see that it is going to be of too much value, if the constables cannot, under those circumstances, enforce the regulations through arrest.

Mr. STEAD: I think I see what you mean. This bill transfers certain powers, to do, mainly with commercial navigation, to a harbour commission. You are now really talking about the small vessel regulations. They may be enforced, not only by the R.C.M.P. but also by the game wardens, and all sorts of people who, under provincial law, may be sworn as peace officers. There is no reason why, I take it—at least, I am not aware of any reason—the harbour police could not be sworn as peace officers under provincial law for the carrying out of the small vessel regulations.

Mr. DRYSDALE: I agree; but at present that provision is absent. In other words, if a harbour commission appoints a constable, then they think that is the end of the matter—"We have appointed a constable, and we know what a policeman can do. He can go out and arrest a person".

Mr. STEAD: The commissioners may not know the limitations of their power; that is what you mean? We could certainly help them with advice on that point. But I do not think that is the purpose of this bill.

Mr. DRYSDALE: I suggested it because in most cases it involves the R.C.M.P., but it would seem to be quite easy to provide that they be sworn in as special constables under the Royal Canadian Mounted Police Act, and then there would be no question as to their power of arrest, and to do all those things.

Mr. HEES: I think that in future, when a harbour commission is being set up, it would be a very easy thing for the members of this group to draw these matters to the attention of the harbour commissioners.

Mr. DRYSDALE: My only reason for bringing this matter up is that in Nanaimo there is a lot of pleasure boating, and the R.C.M.P. have an agreement with the province of British Columbia—

Mr. HEES: We will draw it to their attention.

Mr. DRYSDALE: Thank you.

The CHAIRMAN: Shall clause 1 carry?

Clause 1 agreed to.

Clauses 2-25 agreed to.

The CHAIRMAN: Shall the preamble carry?

Preamble agreed to.

The CHAIRMAN: Shall the title carry?

Title agreed to.

The CHAIRMAN: Shall I report the bill without amendments?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Thank you very much, gentlemen. I should also like to thank the witnesses for their attendance here this morning. Before you leave, gentlemen, may I point out that we will meet at 9.30 Thursday morning, in this room. The witnesses will be officials of trucking companies from Montreal, in connection with the Jacques Cartier bridge.

APPENDIX "A"

CARGOES LOADED AND UNLOADED AT WINDSOR

Cargo tons (2,000 lbs.)

	Cargoes Loaded	Cargoes Unloaded	Total
1958			
COASTWISE			
General Cargo.....	363	326	689
Oats.....	350		350
Other Grain.....	60	25	85
Flour Grain.....	1,822		1,822
Nuts, Peanuts etc.....		6	6
Peas and Beans.....	55		55
Other Fresh Vegetables.....	39		39
Other Agricultural Prod.....		68	68
Salt.....	57,434	11	57,445
Sand Gravel Cr. Stone.....		4,186	4,186
Other Mine Products.....	1		1
Lumber Timber Box etc.....	7	7	14
Fish Oils.....	5	16	21
Beverages.....	4,755	95	4,850
Sugar Raw and Refined.....	151	4,397	4,548
Canned Food Products.....	14,837	609	15,446
Other Manufactured Food.....	239	455	694
Paper Other.....	28	481	509
Iron and Steel Bar etc.....	4,765	28,869	33,634
Castings and Machinery.....	458	2,121	2,579
Other Iron and Steel.....	112	1,173	1,285
Gasoline.....	100	117,340	117,440
Petroleum Oils and Prod.....	528	28,776	29,304
Other Petr. and Coal Pr.....		2,750	2,750
Fertilizers All Kinds.....	20		20
Chemicals and Chem. Pr.....	11,199	92	11,291
Autos Trucks Parts.....	1,106	1,365	2,471
Containers Wood Metal.....	160	370	530
All Other Freight N O S.....	207	2,482	2,689
	98,801	196,020	294,821
FOREIGN			
Corn.....		7,070	7,070
Peas and Beans.....	563		563
Seeds.....	17		17
Other Agricultural Prod.....		51	51
Coal bituminous.....		285,968	285,968
Salt.....	268,871		268,871
Sand Gravel Cr. Stone.....		163,690	163,690
Lumber Timber Box etc.....	1,602		1,602
Beverages.....	570	1	571
Other Manufactured Food.....		51	51
Scrap Iron and Steel.....	7,066		7,066
Iron and Steel Bar etc.....		1,282	1,282
Petroleum Oils and Prod.....		12,370	12,370
Fertilizers All Kinds.....		5,906	5,906
Autos Trucks Parts.....	32		32
All other Freight N O S.....	26	3,733	3,759
	279,347	480,122	759,469

APPENDIX "B"

CARGOES LOADED AND UNLOADED AT OSHAWA

Cargo tons (2,000 lbs.)

	Cargoes Loaded	Cargoes Unloaded	Total
1958			
COASTWISE			
Coal bituminous.....	716	4,041	4,757
Limestone.....		63,793	63,793
Sand Gravel Cr. Stone.....		17,978	17,978
Petroleum Oils and Prod.....	2,400	36,450	38,850
	3,116	122,262	125,378
FOREIGN			
Coal bituminous.....		123,839	123,839
Petroleum Oils and Prod.....		5,150	5,150
		128,989	128,989
1959			
COASTWISE			
Coal bituminous.....	2,035	13,263	15,298
Sand Gravel Cr. Stone.....		9,072	9,072
Petroleum Oils.....		47,170	47,170
Limestone.....		71,957	71,957
	2,035	141,462	143,497
FOREIGN			
Coal bituminous.....		134,883	134,883
Sand Gravel Cr. Stone.....			
Petroleum Oils.....		3,300	3,300
Limestone.....			
		138,183	138,183

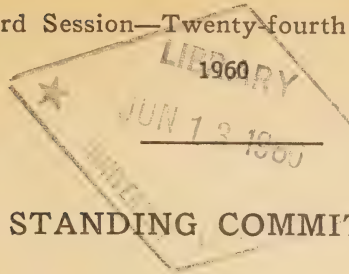
CARGOES LOADED AND UNLOADED AT WINDSOR

Cargo tons (2,000 lbs.)

	Foreign		Coastwise	
	Loaded	Unloaded	Loaded	Unloaded
1959				
Dairy Produce.....			14	8
Wheat.....			25	9,989
Rye.....				1,160
Other Grains.....			39	
Flour.....			792	
Mill Products.....	201		130	
Peas and Beans.....			1	
Other Vegetables.....			27	
Sugar.....			1,312	2,349
Canned Foods.....			17,884	1,081
Other Manufactured Food.....			66	
Beverages.....	758		5,597	25
Tobacco.....	15		285	
Coal, bituminous.....		285,258		
Sand Gravel Cr. Stone.....	3,650	413,630		
Limestone.....		15,943		
Salt.....	509,728	1,400	75,178	
Other crude, Non Metallic Minerals.....				450
Slag.....		5,500		
Iron Steel Scrap.....	2,623			
Waste Materials.....		600	30	
Lumber.....				1
Newsprint.....				15
Paper, Other.....			21	792
Other Manufactured Wood Pr.....				30
Textiles Fabrics.....				1,745
Fish Oils.....				30
Chemicals and Chem. Prods.....		52	13,438	136
Gasoline.....				137,433
Petroleum Oils.....		12,280	2,600	40,980
Iron and Steel.....	958	1,046	2,320	36,607
Other Iron Steel Prods.....		4		3,316
Aluminium.....				9
Copper Brass Bronze Bars etc.....				650
Glass Sheets etc.....			287	93
Machinery.....	128	70		11,034
Autos Trucks and Parts.....	71		1,294	807
Glassware Chinaware.....			90	
Containers, empty.....			7	1,354
General.....	1		2,253	316
All Other Freight.....	112		74	22
	518,245	735,783	123,764	250,462

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament



STANDING COMMITTEE

ON

RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: GORDON K. FRASER, ESQ.

PROCEEDINGS

No. 20

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

THURSDAY, MAY 26, 1960

WITNESSES:

Messrs. James N. Doyle of Montreal, General Counsel and Secretary,
Steinberg's Limited; Jean Girard of Montreal, General Manager,
Miron & Frères Ltée; and Albio Bélanger of St. Jean-Port Joli,
Quebec, Owner and Manager, Bélanger Transport Enr.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Chairman: Gordon K. Fraser, Esq.

Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

Allmark,	Deschatelets,	McGregor,
Asselin,	Drysdale,	McPhillips,
Badanai,	Dumas,	Monteith (<i>Verdun</i>),
Baldwin,	Fisher,	Pascoe,
Bell (<i>Saint John-Albert</i>),	Garland,	Payne,
Bourbonnais,	Grills,	Peters,
Bourget,	Horner (<i>Acadia</i>),	Phillips,
Bourque,	Horner (<i>Jasper-Edson</i>),	Pigeon,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pratt,
Brassard (<i>Lapointe</i>),	Keays,	Rapp,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Rogers,
Bruchési,	Lessard,	Rynard,
Cadieu,	MacInnis,	Smith (<i>Calgary South</i>),
Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Smith (<i>Lincoln</i>),
Campeau,	Martin (<i>Essex East</i>),	Smith (<i>Simcoe North</i>),
Chevrier,	Martini,	Thompson,
Chown,	Michaud,	Tucker,
Creaghan,	McBain,	Valade,
Crouse,	McDonald (<i>Hamilton South</i>),	Wratten—60.
Denis,		

Eric H. Jones,
Clerk of the Committee.

CORRIGENDUM (*English Edition only*)

Proceedings No. 19, May 24, 1960

Page 1157, 8th line from bottom: delete "1957 and 1958" and substitute "1958 and 1959".

Page 1158, line 2: delete "1957 and 1958" and substitute "1958 and 1959".

MINUTES OF PROCEEDINGS

THURSDAY, May 26, 1960.
(33)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Chairman, Mr. Gordon K. Fraser, presiding.

Members present: Messrs. Allmark, Asselin, Badanai, Baldwin, Bell (*Saint John-Albert*), Bourget, Bourque, Brassard (*Chicoutimi*), Browne (*Vancouver-Kingsway*), Campeau, Chevrier, Chown, Denis, Deschatelets, Drysdale, Fisher, Fraser, Horner (*Acadia*), Howe, McPhillips, Monteith (*Verdun*), Payne, Peters, Pigeon, Smith (*Calgary South*), Smith (*Simcoe North*), Thompson, Tucker and Wratten. (29)

In attendance: Messrs. James N. Doyle of Montreal, General Counsel and Secretary, Steinberg's Limited; Jean Girard of Montreal, General Manager, Miron & Frères Ltée; Albio Bélanger of St. Jean-Port Joli, Owner and Manager, Bélanger Transport Enr.; Dr. P. M. Ollivier, Law Clerk of the House of Commons; and Mr. Walter Smith, Ottawa Executive Representative, Canadian National Railways.

The Committee resumed its consideration of the toll-collection operations at the Jacques-Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

Mr. Chevrier suggested that a graph be provided showing the revenue from the Jacques-Cartier bridge comparable to the graph of the revenue of the Victoria bridge for the period 1951 to 1960, on a scale to facilitate comparison.

Mr. Drysdale then suggested that there be produced a semi-log chart comparing the revenues of the Jacques-Cartier Bridge and the Victoria Bridge, similar to the graph at Exhibit "A" at page 135 of the Committee's proceedings of March 17th, showing bridge tolls only, and omitting detail of motor vehicle registration and gasoline taxes which had been included on the earlier exhibit; and also a bar graph of the monthly revenues and yearly totals at both the Victoria Bridge and the Jacques-Cartier Bridge, these to be on the same graph.

The Committee agreed to the said suggestions of Messrs. Chevrier and Drysdale.

The Chairman announced that, there had been arranged for today's meeting the attendance of Messrs. James Doyle, General Counsel and Secretary, Steinberg's Limited, Montreal; Jean Girard, General Manager, Miron & Frères Ltée, Montreal; and Albio Bélanger, Owner and Manager, Bélanger Transport Enr. of St. Jean-Port Joli, all of whom had been summoned pursuant to the request of Mr. McPhillips with the agreement of the Committee thereto.

It was moved by Mr. McPhillips, seconded by Mr. Drysdale, that today's witnesses be excluded from the room when not giving evidence.

The said motion was carried, on division, YEAS: 12; NAYS, 4.

Mr. James N. Doyle, General Counsel and Secretary, Steinberg's Limited, was called and was sworn; he was questioned and was retired. During his examination, he produced a record of toll-ticket purchases by cheques of his firm from 1955 to date. It was agreed that the said record be printed as an appendix to the proceedings of this day. (*See Appendix "A" hereto.*)

During his examination Mr. Doyle was requested certain information which he did not then have available. He was requested to forward it to the Clerk of the Committee as soon as possible after his return to Montreal.

The Committee agreed that the printing of its proceedings be delayed to permit of the said information being printed as appendices to this day's proceedings. (*The information which was later received by the Clerk of the Committee is at appendices as set out below.*)

Steinberg's Limited Bridge Toll Costs:	}	Appendix "B".
Ticket costs—1957, 1958, 1959.		
Cash costs—1956, 1957, 1958, 1959, Jan./Mar. 1960		

Steinberg's Limited Drivers—1955 to 1960	Appendix "C".
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Steinberg's Limited Breakdown of Vehicle Fleet—	
1955 to 1960	Appendix "D".

Mr. Jean Girard, General Manager, Miron & Frères Ltée was then called, sworn, questioned and was retired. He produced a list of cheques issued by his firm for purchases of toll tickets from 1955 to date. It was agreed that the said list be printed as an appendix to the proceedings of this day. (*See Appendix "E" hereto*)

Mr. Albio Bélanger was then called. He was sworn and questioned through the interpreter. He was then retired.

From the examination of Mr. Bélanger, it appeared that his firm had not purchased en bloc tickets and that accordingly he may not have been the witness required. The Clerk explained the steps which he had taken for the attendance of an official of Bélanger Transport, which had resulted in the summoning of Mr. Bélanger on the instruction of the Chairman and with the concurrence of Mr. McPhillips.

On motion of Mr. Drysdale, seconded by Mr. McPhillips,

Resolved,—That Mr. Archer and Mr. Beaudet or Mr. Clément, whoever can give the information required regarding Bélanger Transport, appear before the Committee on Tuesday next.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings. The interpreter, Miss Paulette Cyr, continued to be under oath.

At 12.15 o'clock p.m. the Committee adjourned until 9.30 o'clock a.m. on Tuesday, May 31st.

Eric H. Jones,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, May 26, 1960.
9.45 a.m.

The CHAIRMAN: Gentlemen, we have with us today Mr. James Doyle, general counsel of Steinberg's Limited, from Montreal. The appearance of a representative from Steinberg's Limited has been requested by Mr. McPhillips and Mr. Browne. I am going to ask Mr. Doyle if he would be kind enough to come up here and take a seat.

Mr. CHEVRIER: Mr. Chairman, before you proceed with Mr. Doyle, there is a matter which I would like to draw to your attention and ask if you would not seek to get this additional information.

If the committee looks at proceedings No. 16—

The CHAIRMAN: What page, Mr. Chevrier?

Mr. CHEVRIER: At the end of the proceedings there is a graph entitled, "Victoria bridge, toll revenues, moving annual and monthly." That is divided into two forms—the moving annual and the monthly figure. I think in order to have an accurate picture of what is happening on both bridges, we should have a similar graph in so far as the Jacques Cartier bridge is concerned. I understand that the "moving annual" is the total of the collections in the twelve preceding months. Thus the moving annual figure for, say, June 1953, would be toll revenues collected from July, 1952 up to and including June, 1953. So I would ask—and I would think there would be no objection to this—that the National Harbours Board prepare a similar graph, on a scale which would facilitate a comparison of the trends of toll revenues between the two bridges.

If that were possible—if the National Harbours Board were able to prepare one in the same way as the C.N.R. accounting division were able to obtain it for the Victoria bridge—then I think it would be a good thing for the committee to have, in order to compare the two operations on these bridges.

I wondered whether you would not ask the officers of the National Harbours Board to produce, as an appendix to the evidence, a graph similar to this one.

The CHAIRMAN: May I ask you, Mr. Chevrier: Would you like this superimposed on this Victoria bridge one, in red?

Mr. CHEVRIER: I do not think it makes any difference, but I think it would perhaps be better if we had them separate.

The CHAIRMAN: All right.

Mr. DRYSDALE: On the same point, Mr. Chairman, I would suggest that if he wants a comparison, then we should have a comparison of the two bridges on a semi-log chart, and also a similar comparison with the absolute values of the figures, monthly, and also on the total amount. Perhaps we could have a bar-graph, indicating revenues for the year and, perhaps, small bars indicating monthly revenues. The semi-log would indicate the comparison and the relative rate of the increases, because there is quite a disparity in the revenue; and also a graph to show absolute values.

I would request these be two separate graphs, with that material for both bridges on each of those graphs.

Mr. CHEVRIER: The only thing in my mind, in making this request, is that we should be in a position to compare like with like.

The CHAIRMAN: Is the committee agreed we should have this done? Agreed.

The CHAIRMAN: When we have the transcript we will check that and see what we can do with the harbours board and the Victoria bridge.

Mr. McPHILLIPS: Mr. Chairman, we are now embarking upon the examining of witnesses of a different category from those we have had heretofore. Therefore, I would like to move that only the witness under examination be in the room, and that the others be excluded until they are called.

Mr. DRYSDALE: I second that motion, Mr. Chairman.

Mr. CHEVRIER: Well, Mr. Chairman, I do not know what the purpose of this move is. It has been the practice in this committee to have all the witnesses that were called, here at the same time. Of course, the committee—as has been said repeatedly here—is the master of its own destinies, and can do what it likes; but I do not know why, at this stage, we should begin changing the procedure that has been followed. The suggested procedure would seem to be one followed in criminal courts, where this is done because it is felt that one witness may give testimony contrary to that of another witness. So they are separated and heard at different times. But it would seem to me that since the practice has been to allow all witnesses to be here at the same time, it should not be changed at this late date.

Mr. DRYSDALE: Mr. Chairman, I think Mr. Chevrier has high-lighted the fact it has been a very unsatisfactory practice, even in this committee.

Mr. CHEVRIER: I have not said it was an unsatisfactory practice.

Mr. DRYSDALE: I said it was an unsatisfactory practice in this committee, for the very reason you have stated. Witness after witness said, in answer to questions, "Yes, I have read over the evidence"—and a great deal of the evidence was merely repetition of what had gone before. They gave the indication that they were supplying the committee with evidence, to a large extent, from reading the transcript of the previous evidence. I would suggest, because of the nature of our proceedings previously and because of the fact the evidence is produced in this form and is available to everybody, there was very little we could do about it. But I think Mr. McPhillips' point is that we would prefer to get the story from individual truckers rather than have the first witness give the story and have it, more than likely, confirmed by subsequent witnesses. This way, perhaps, we can get the individual stories.

When I say this, there is no intention of suggesting there is any collusion among the witnesses, but I think it would be better if we had the individual stories and could examine them individually. Then the other witnesses who are excluded would not be in the position of being influenced by the first witness.

Mr. CHEVRIER: Mr. Chairman, I just understood Mr. Drysdale to say that we were calling the individual truckers. My understanding is that these people are not the truckers; they are the owners of the corporations.

The CHAIRMAN: That is right—or representatives of those corporations.

Mr. DRYSDALE: Could I correct that to “trucking firms”, then Mr. Chevrier. I am sorry; it was loose language on my part.

Mr. CHEVRIER: Yes; and it was for that reason that I thought it would not be the proper thing to do, to follow other than the usual practice.

Mr. DRYSDALE: Why do you want them here?

Mr. CHEVRIER: For no reason other than all the other witnesses were allowed to be here. Why should these witnesses be treated otherwise than the various Ministers of Transport, for instance, or the various chairmen of the National Harbours Board, or the members of the National Harbours Board from Montreal who gave evidence, the manager of the port of Montreal, the toll collectors on the bridge, the accountants, and so forth?

I do not think these witnesses are in a different position from the others, and for that reason it would seem to me they should remain in the room, as the other witnesses did.

Mr. MCPHILLIPS: Mr. Chairman, speaking on the motion: I cannot agree with Mr. Chevrier that this sort of thing is restricted to criminal litigation, because these motions are very often made in civil suits—and I am sure that Mr. Chevrier is aware of that.

I prefaced my motion by saying that we were now embarking on the examination of a different class of witness entirely. Previously they were all witnesses in some degree in the managerial end of things; they were giving formal evidence in that respect. The witnesses we have here today are in a different category entirely; they are individual users of the bridge; they have nothing to do with the management of the bridge.

They are not here to answer questions as responsible officials, either of government or the harbours board, or the C.N.R. They are here as witnesses who can be likened to witnesses in a civil suit—and very often this motion is made, and almost always it is allowed.

Mr. CHEVRIER: Mr. Chairman, I am not going to pursue this unduly; but I do agree with Mr. McPhillips that it is true that witnesses sometimes are separated in civil suits. But it is not true that they have been separated in a parliamentary committee such as this. I am sure that if you look at the records, you will find that on no occasion have witnesses been ordered, or directed to leave the room in a Committee on Railways, Canals and Telegraph Lines.

The CHAIRMAN: I think you are right on that. I have been on the committee since 1940. But the motion has been put by Mr. McPhillips, seconded by Mr. Drysdale, that today's witnesses be excluded from the room when not giving evidence. All those in favour of the motion.

The CLERK OF THE COMMITTEE: Twelve, sir.

The CHAIRMAN: Those against? The motion is carried.

In that case, Mr. Girard and Mr. Bélanger, will have to leave the room? You can just go outside here. The Clerk will take you out, and then we will call you back in again.

Mr. CHEVRIER: There is a tower here, not far away, that you can take them to!

Mr. DRYSDALE: That is a peace tower, Mr. Chevrier!

The CHAIRMAN: Mr. Pigeon is on the list first.

Mr. PIGEON: (*Speaking in French*)—

Mr. McPHILLIPS: Wait a minute. He has not been sworn in yet.

The CHAIRMAN: Yes; pardon me. We will have to wait until the Clerk comes back. I forgot about that. You do not mind being sworn?

Mr. JAMES N. DOYLE (*General Counsel and Secretary, Steinberg's Limited*): No.

Mr. McPHILLIPS: Mr. Chairman, I was under the impression that I was going to lead off.

Mr. BROWNE (*Vancouver-Kingsway*): It is always the one who has called the witness who leads off.

The CHAIRMAN: Mr. Pigeon, as Mr. McPhillips called the witness, he requests that he be allowed to ask questions first, if that is satisfactory to you. Mr. McPhillips will be first, then; and then, Mr. Pigeon.

Mr. JAMES NEVILLE DOYLE, sworn.

Mr. McPHILLIPS: I wonder if the witness would give me his full name.

Mr. DOYLE: James Neville Doyle.

Mr. McPHILLIPS: Mr. Doyle, what is your official position with Steinberg's?

Mr. DOYLE: General counsel and secretary.

Mr. McPHILLIPS: When you say "general counsel", do you mean in a legal sense?

Mr. DOYLE: Yes.

Mr. McPHILLIPS: You are their legal counsel?

Mr. DOYLE: That is right.

Mr. McPHILLIPS: Solely employed by Steinberg's Limited?

Mr. DOYLE: Yes.

Mr. McPHILLIPS: I think you said you were also secretary of the corporation.

Mr. DOYLE: That is right.

Mr. McPHILLIPS: Where is the head office of Steinberg's Limited?

Mr. DOYLE: 5400 Hochelaga Street, Montreal.

Mr. McPHILLIPS: Have you a personal knowledge of the trucking operations of this corporation?

Mr. DOYLE: Not very much—only in my capacity as an officer of the company, and that I am generally familiar with the operation. But I am not directly responsible for the trucking operation.

Mr. McPHILLIPS: You say you are not responsible for the trucking operation. Who is responsible for that operation in your company?

Mr. CHEVRIER: He did not say that, Mr. McPhillips: he said he did not have a general knowledge.

Mr. DRYSDALE: He said he is not personally responsible.

Mr. DOYLE: I said I had a general knowledge of it, but I was not personally responsible for the managing of the trucking operation.

Mr. McPHILLIPS: Then who is, in your corporation?

Mr. DOYLE: I would say, Mr. Kom is probably—

Mr. McPHILLIPS: What is his name?

Mr. DOYLE: Sydney Kom, K-o-m.

Mr. McPHILLIPS: So your knowledge of the trucking operations of your corporation is simply that which you would get from the hearsay standpoint?

Mr. DOYLE: More or less, and from reports that I would get from other people within the company.

Mr. McPHILLIPS: Do you know how many trucks the corporation owns?

Mr. DOYLE: At the present time?

Mr. McPHILLIPS: Yes.

Mr. DOYLE: No, I could not give you an exact figure.

Mr. McPHILLIPS: Mr. Chairman, we raised the point at the time that we doubted whether the general counsel would be the proper witness, but we were assured that notwithstanding his designation, he was. But obviously he has no knowledge of these matters at all.

The CHAIRMAN: The vice president of Steinberg's named Mr. Doyle because he said that Mr. Doyle would know as much about the trucking end of it as anyone else in their firm.

Mr. McPHILLIPS: Very obviously—I appreciate his position, but he does not know the details. I think that Mr. Sydney Kom is the man we should have here.

Mr. DOYLE: When I received this subpoena, I understood that the requirements of the committee were that someone from the company having a general knowledge of this matter, and the basis upon which transportation across the bridge was paid for, should appear. At the time I questioned this myself with the people within our organization, and it was their understanding, and I believe they sincerely understood this—that anyone in a position of responsibility in a managerial sense within the company, who had general knowledge of the subject, and to whom information had been supplied, would be satisfactory to the committee; not necessarily the man who was dispatching the trucks right from the dispatcher's office, for example.

Mr. McPHILLIPS: Mr. Chairman, it is obvious that this witness would be of no value to the committee at all.

Mr. CHEVRIER: Why should we not continue with the examination of the witness to the extent that he can give us information, and then we will determine afterwards? It may well be that he has information which he can give which would help the committee, and which would be of use.

Mr. McPHILLIPS: Well, if he does not know the number of the fleet of his company's trucks, that is basic to the examination.

The CHAIRMAN: Mr. Doyle, have you a statement to make?

Mr. DOYLE: I do not know what questions I am going to be asked, so I do not particularly wish to give a statement.

Mr. CHOWN: You were asked how many trucks you had.

The CHAIRMAN: Gentlemen, I am going to ask the Clerk of the Committee to read the summons that he sent to this firm in regard to the use of the bridges.

The CLERK OF THE COMMITTEE: Following the formal part of the summons, and the mentioning of the matter which is before the committee, the summons reads:

That you bring with you and then and there produce all records, correspondence, etc., relating to the purchases by your firm of "en bloc" tickets for use by your truck drivers on the Jacques Cartier bridge and the Victoria bridge, Montreal, Quebec, any written instructions which your firm may have issued at any time to your truck drivers in connection with the payment by cash or tickets of toll charges on the said bridges, and generally any written records your firm may have in regard to the use of the two said bridges by your trucks.

The CHAIRMAN: Are there any questions?

Mr. McPHILLIPS: This raises a very peculiar situation. I would like to ask Mr. Doyle this question. I am not sure that you gave me the official status of that employee, Mr. Sydney Kom. Did you say that he was supervisor of trucks?

Mr. DOYLE: No, he is a vice-president. He has had a change in title, and I am trying to think of his new title. I think it is warehousing and distribution; he is vice-president of warehousing and distribution.

The CHAIRMAN: That is a new position?

Mr. DOYLE: Yes, within the last month or so.

Mr. McPHILLIPS: His employment has not been just within the last month?

Mr. DOYLE: No. He has been occupying a position of authority, but the title of it has changed.

Mr. McPHILLIPS: For how long a time?

Mr. DOYLE: Several years, I would say.

Mr. McPHILLIPS: Well, as far as I am concerned, it seems to me that the witness we need from Steinberg's is Mr. Sydney Kom.

Mr. CHEVRIER: I would like to ask a question.

Mr. DRYSDALE: Mr. Chairman, may we not first dispose of the point as to what we are going to do with regard to Mr. Kom? I am not even too sure that Mr. Kom is the person who would have the information. But if we could ascertain who is the person who has that information, and since Steinberg's is relatively close to Ottawa, it might be possible to have such a witness here by this afternoon.

The CHAIRMAN: That is impossible.

Mr. DRYSDALE: Why?

The CHAIRMAN: We could not get one here by this afternoon.

Mr. DRYSDALE: And why not?

The CHAIRMAN: We could try, but I doubt it. Would it not be wise to ask your questions of Mr. Doyle, and to see what Mr. Doyle has to offer, and then we could arrive at a decision?

Mr. DRYSDALE: It is taking up the time of the committee.

Mr. BROWNE (*Vancouver-Kingsway*): Could Mr. Doyle tell us who else would be in direct control of trucks?

Mr. DOYLE: There would be a number of people. There are various levels of responsibility right down to the dispatcher and the drivers themselves. It is a large trucking operation, and the managerial authority, the direct responsibility would probably be that of Mr. Kom's, and below him of Mr. Ferley, and below him a number of other people who are strictly concerned with the actual mechanics of handling the day-to-day trucking operations.

Mr. BROWNE (*Vancouver-Kingsway*): You do have someone in the position of supervisor of your fleet of trucks?

Mr. DOYLE: I am not sure that any one individual at the lower level could give you the information that you want on this particular problem. I think it would have to be someone in a higher position of responsibility who would get the information from various different sources. I have attempted to do that, with the help of people in those positions in my company.

Mr. BROWNE (*Vancouver-Kingsway*): It may possibly be that there is no one present who could answer the type of questions we want to ask.

Mr. DOYLE: That may be.

Mr. BROWNE (*Vancouver-Kingsway*): Who would be the next senior person to Mr. Kom, to dispatch trucks? Who would be the next line up from there?

Mr. CHEVRIER: Perhaps that is the reason Mr. Doyle has said there is no one assigned to that particular responsibility.

The CHAIRMAN: Could Mr. Doyle give us a list of the people in charge of the trucking end of it, from your driver positions up to the top level?

Mr. DOYLE: Well, I do not know that I could give you a little progressive list, but I could give you some of the names. There is a central dispatcher whose name is Roger Simpson. There is a section head in charge of transportation whose name is Robert Dargis. There is a person named Z. Ferley, who is more or less in charge of our complete warehousing operation, at the warehouse level; and above him is Mr. Kom.

From these various gentlemen I obtained some of my material that I brought here today.

Mr. DRYSDALE: Who, in the company, would be involved with the purchase of toll tickets for trucks, and who would have contact with the people at the Jacques Cartier bridge?

Mr. DOYLE: Might I indicate how that came about?

Mr. DRYSDALE: Yes, that might be helpful.

Mr. DOYLE: The information I have is that we first began using the bridge for transportation to our stores when we first opened our store in Sherbrooke, in July, 1955. Our shipments would have started perhaps a few weeks in advance of that period. And the procedure at that particular time was that we bought tickets for the bridge, as nearly as I can discover, but there is nothing to indicate procedure. According to everyone's recollection this was handled at that time on the basis of the company paying for them in cash.

In other words, the tickets would be paid for in cash, and this was managed at the warehouse level where an employee would be authorized to go down to the National Harbours Board offices and buy so many tickets of certain denominations, which would then be brought back to the warehouse and issued to the drivers.

This procedure was followed for a short time, but I do not think it was very long. And then it was changed by the issuing of a cheque. The procedure at that time was that the man whose title was fleet superintendent would estimate how many trips would be made by each type of vehicle, and he would issue a requisition to our accounting department for a cheque made payable to the National Harbours Board.

Mr. CHEVRIER: What was that again, please?

Mr. DOYLE: Our fleet superintendent would estimate how many trips would be made by each type of vehicle, and he would issue a requisition to our accounting department for a cheque payable to the National Harbours Board.

Mr. DRYSDALE: Was a cheque issued monthly?

Mr. DOYLE: On a monthly basis, I believe. The first cheques of which I have any record are for October through December of 1955. There were three in number, and each in the same amount.

Mr. DRYSDALE: What is that document you are holding?

Mr. DOYLE: This is just a sort of recap of the cheques that we issued to the National Harbours Board, which I had prepared from our accounting records yesterday.

Mr. DRYSDALE: I suggest that it be filed as an appendix.

The CHAIRMAN: Is that agreeable to the committee?

Agreed.

(See Appendix "A" hereto.)

Mr. CHEVRIER: Does that cover the whole period from 1955 down to date?

Mr. DOYLE: That is correct.

The CHAIRMAN: Now, Mr. Pigeon?

Mr. MCPHILLIPS: No, I just want to get from Mr. Doyle the name of this fleet superintendent.

Mr. DOYLE: I am not sure I could give you the name of the person who held that position at that particular time, but it would be under the authority of Mr. Ferley, going back to that time. I believe.

Mr. MCPHILLIPS: I want to get this clear. The fleet superintendent would make out—possibly for approval by a superior—a requisition for bridge tickets based on his knowledge of truck movements?

Mr. DOYLE: Yes.

Mr. MCPHILLIPS: And then he would deal with the drivers in their distribution?

Mr. DOYLE: That is right.

Mr. MCPHILLIPS: It seems to me that that is the man we want.

The CHAIRMAN: According to this table here the cheques were issued sometimes more than once a month.

Mr. SMITH (*Simcoe North*): What is the date of the first cheque?

The CHAIRMAN: October, 1955. The next one was December, 1955. In 1956 there was nothing. Then in 1957 there are quite a number.

Mr. SMITH (*Simcoe North*): There were none in 1956?

The CHAIRMAN: That is right—

Mr. DRYSDALE: There is no indication of the number of trucks of Steinberg's out in service during that period which would be operating over the Jacques Cartier bridge?

Mr. DOYLE: No. I could give you an estimate of the number of loads involved at that particular time.

Mr. DRYSDALE: Do you have those figures?

Mr. DOYLE: At that particular time we only had one store which was an out-of-town store, so to speak. The store necessitated our trucks travelling over the bridge—and perhaps I should make it clear, that when I spoke of the bridge, I was speaking only of the Jacques Cartier bridge, because to the best of my knowledge, and that of everyone with whom I have spoken, we made no use of the Victoria bridge at all.

Mr. SMITH (*Simcoe North*): Was there a change of policy in 1956?

Mr. DOYLE: Yes.

Mr. SMITH (*Simcoe North*): How were they paid for in 1956?

Mr. DOYLE: At about the end of 1955 what happened was that it was found that this procedure of doling out tickets to drivers was not very practical, because we were using various kinds of tractor-trailer combinations, and different sizes of trucks to carry these loads, and it was difficult always to have the right combination of tickets, and the right type of ticket available.

The people who would be issuing tickets would sometimes make a mistake and issue the wrong type of ticket for the size of the tractor trailer involved. And another problem was that for a store situated that far away, many of the loads would have to be moved during the night or early morning in order to insure delivery at the store at the required time; and since they would leave

the plant at those odd hours, there were not people in a position of authority working at that time who would be put in charge of issuing those tickets.

So at that particular time after operating on this basis for several months we changed to a cash payment basis, and that is the reason there were no cheques issued to the National Harbours Board in 1956. We were on a cash payment basis thereafter.

We set up a system whereby the driver would pay it out of his pocket at that particular time, on this Sherbrooke run, for this one store, and would claim the amount that he had to pay for bridge tolls on his return from the trip, when he would be reimbursed for it out of petty cash funds maintained at the warehouse.

Mr. PIGEON (*Interpretation*): Mr. Doyle, for how many years have you been employed by the Steinberg firm?

Mr. DOYLE: For about a year and a quarter, or about a year and three or four months.

Mr. PIGEON (*Interpretation*): I believe, Mr. Chairman, that it would also be very important to question other witnesses from Steinberg's, since this witness has only been employed there for 15 months.

Mr. CHEVRIER: That is a matter for the committee. If Mr. Pigeon does not want to proceed with questions, some of us do.

Mr. PIGEON: I just want to have another question of the witness here. (*Interpretation*): Before appearing before this committee, did you receive any instructions from someone at Steinberg's Limited?

Mr. DOYLE: I do not know that I quite understand the question. I certainly was asked to appear on behalf of the company through the president, Mr. Sam Steinberg; yes. However, as to instructions other than that; no. I was merely given the information which, on the basis of the request that was made of Steinberg's Limited, it was assumed this committee wished to have.

Mr. PIGEON (*Interpretation*): Were you instructed as to how to proceed with the committee?

Mr. DOYLE: No.

Mr. PIGEON (*Interpretation*): Did any member of this committee—a member of parliament—communicate with you either by telephone or at a personal meeting?

Mr. DOYLE: Not with me personally.

Mr. PIGEON (*Interpretation*): Have you heard that a member of this committee other than yourself had communicated with anyone at the Steinberg's firm?

Mr. DOYLE: No. To the best of my knowledge the only person who communicated with anyone in our firm was Mr. Jones, the Clerk of the Committee, who telephoned through.

Mr. PIGEON (*Interpretation*): Since the time when you have had stores outside of Montreal how many trucks each day, going and returning, crossed the Jacques Cartier bridge?

Mr. DOYLE: I am afraid I cannot answer that on a daily basis. I have an estimate which was prepared by our transportation department of the average number of loads per week at various intervals of time since we have been using the bridge. I believe the latest figures I have are for March 1950. We were taking about 105 or 110 loads per week.

Mr. PIGEON (*Interpretation*): On your trucks, in addition to the driver, is there also a helper?

Mr. DOYLE: I would say, generally, no.

Mr. PIGEON (*Interpretation*): Do you have the figures since 1950?

Mr. DOYLE: No, because as I explained we did not make any regular use of the bridge, other than perhaps for an occasional trip, before June or July of 1955.

Mr. PIGEON (*Interpretation*): Could we have these figures?

Mr. DOYLE: Which figures? I am not sure I understand the question.

Mr. PIGEON (*Interpretation*): Since 1955.

Mr. DOYLE: I can give you figures of the loads per week which we were making as of each particular period when we opened up a new store which necessitated additional use of the bridge by our trucks.

Mr. PIGEON (*Interpretation*): I would appreciate that very much.

The CHAIRMAN: You can obtain that for us?

Mr. DOYLE: I have it here before me.

The CHAIRMAN: Would you be kind enough to give it.

Mr. DOYLE: In July of 1955, our weekly total of loads was about ten loads per week. In April, 1957, when we opened up another store across the bridge the weekly total of loads was 35. In November, 1957, when we opened up another store, it became 45 loads per week. In March, 1958, on the opening of another store, it reached 65 loads per week. In September of 1958, after another store opened, it became 85 loads per week. In July, 1959, after still another opening, it became 95 loads per week. In March, 1960, when the last such store was opened, it was running at the rate of about 105 or 110 loads per week.

Mr. SMITH (*Simcoe North*): From the figures you have given would it be possible to make any rough reconciliation of the number of loads per week as against the cash payments by Steinberg's to the harbours board? Would it be possible to do it from the figures you are producing today?

Mr. DOYLE: When you say cash payments, are you referring to all payments whether by cheque or cash?

Mr. SMITH (*Simcoe North*): Yes. All payments as recorded through your books.

Mr. DOYLE: I think it probably would be possible.

Mr. PIGEON (*Interpretation*): Have you heard that drivers employed by your firm would have noted irregularities in respect of toll collections?

Mr. DOYLE: No. I personally questioned a number of officials in our firm about this and no one has ever heard any such conversation, so far as I have been able to ascertain.

Mr. PIGEON (*Interpretation*): I understand that you have been employed at Steinberg's for only 15 months. Were the coupons or tickets purchased every month or once a day, and were they bought by the drivers?

Mr. DOYLE: If I might perhaps repeat myself a little bit, when we came to the end of 1955 and found the method of handling tickets was too cumbersome so far as the one store in Sherbrooke was concerned, we changed to the basis of having the driver pay for the toll and being reimbursed out of petty cash. I should explain that there is a basic difference. After that date we adopted two systems. We continued on on that basis with the store in Sherbrooke, but when we opened up stores a short distance across the bridge we regarded those as essentially in town, or metropolitan stores. These stores were treated on the basis of being almost the same as those actually on the island of Montreal. In other words, for the store that was far out, we took bigger deliveries and less frequent deliveries. For the store that was close in we had smaller vans and more frequent deliveries. The result

was that since we were using a smaller type of van on the store we first opened in April, 1957, we went to a basis of using tickets for that store which was close in, because it was easy to estimate—we knew the type of van we were using and we were not getting involved in the mix-up in respect of the different sizes of tractors and trailers, and the mistakes being made. Also the deliveries were being made at regular hours instead of late at night for early morning delivery, as was the case with the out-of-town store. In effect we had two systems; for Sherbrooke the driver was paying and was being reimbursed from petty cash, and for the store close in it was on the basis of purchasing tickets by cheque issued to the National Harbours Board and then issuing those tickets to the driver as they were required. That system went on all through 1957 and through 1958, except that I think sometime in about March of 1958, instead of having the driver pay it out and be reimbursed, we issued cash to him in advance. We had a system which permitted an experienced man being on duty 24 hours around the clock.

Mr. PIGEON (*Interpretation*): You have had a store at Arvida for about 20 years and one in Quebec since 1954. Do the trucks which supply these stores use route 9 and take the Jacques Cartier bridge?

Mr. DOYLE: I am not certain. My information is that they were not included in these totals, but I am not absolutely sure on that point.

Mr. PIGEON (*Interpretation*): It would be most important to learn this. I believe a while ago you stated that before 1956 you had no stores outside of the metropolitan Montreal region? You had one for 20 years at Arvida?

Mr. DOYLE: I am not certain whether or not perhaps in those early days we may have been shipping by outside truckers. I would have to check on that point; I am not certain.

Mr. PIGEON (*Interpretation*): A while ago you gave the figures of the number of loads per week since 1955. Might we also have the gross cost for those same periods?

Mr. DOYLE: I already have given a summary of the cost incurred by purchase of tickets by cheque. The figures you do not have are the amounts of cash that are being paid out of petty cash for toll charges. That would take some time to prepare. I think if the records all are still intact it could be done. I am not certain whether or not they are, because I looked for those records and found three of the years intact, but have not as yet located one of the other files.

Mr. PIGEON (*Interpretation*): I would have like to direct other questions to you, but as you have been with the company for only 15 months and cannot answer them, I shall not direct any other questions.

The CHAIRMAN: Mr. Horner, Acadia, is next.

Mr. PIGEON: I have one last question.

(*Interpretation*): Has the Steinberg's firm noticed that with the new automatic toll equipment there has been a saving in time and money for the Steinberg firm?

Mr. DOYLE: Well, I am not certain as to time, but I do not believe there would be any difference in a saving of money, because so far as I am aware there has been no question of our overpaying or underpaying the tolls on the bridges. To the best of our knowledge and belief, whether in buying the tickets through the National Harbours Board or in issuing the money to our drivers for the class of vehicles they have driven over the bridge, we always have paid the exact toll as required by the authorities, so I do not believe, at the company level, we would have any knowledge whatever of any irregularity

going on. As I stated before, so far as our company is concerned we have had no knowledge whatever of any irregularity at the bridge.

Mr. PIGEON: (*French*)

Mr. DOYLE: I have spoken with other gentlemen on that.

Mr. PIGEON (*Interpretation*): As regards you personally, that is understandable since you have been with the company only 15 months.

Mr. CHEVRIER: The witness answered that question and there was no translation of the answer.

Mr. DRYSDALE: The answer is in English.

Mr. PIGEON (*Interpretation*): Before continuing, Mr. Chairman, I would like to point out that the hon. member for Laurier seems to have a particular interest in the questions and answers being directed to Mr. Doyle.

The CHAIRMAN: I think all members of this committee have a great interest.

Mr. CHEVRIER: On a point of order, the witness was getting ready to reply to the last question of the hon. member and there was another question posed in French. I think we should have the reply.

Mr. DOYLE: If you do not mind I would like to hear the question again.

Mr. PIGEON (*Interpretation*): With the new automatic toll equipment, does the Steinberg firm save any time or money.

The CHAIRMAN: That question was answered.

Mr. DOYLE: If I might make a remark, I think what I was going to answer was the gentleman's remark that I could only speak for myself. I suppose, in a strictly legal sense, that is true; but I am here as a representative of Steinberg's Limited to speak for the company, and with the full knowledge and authority of the gentlemen who do know the facts on these matters. I want to make quite clear that it is their understanding that so far as our company is concerned we have always administered our trucks on a business-like basis. We have dealt, either directly with the harbours board and taken tickets from them, or have given to our drivers the exact money which was necessary for them to have in order to pay their way back and forth across the bridge in making the trips they were required to make on that bridge. The company can come to no other conclusion than that the exact amount required to be paid for tolls was paid. If we had had any knowledge of any irregularity among our drivers, I can assure you we would have fired them.

Mr. PIGEON: I have two questions.

The CHAIRMAN: You told me before you had only one.

Mr. PIGEON (*Interpretation*): My last question, Mr. Chairman. Could we have a list of the names of drivers and helpers on the trucks since 1948?

Mr. CHEVRIER: On a question of order, Mr. Chairman, has not the witness already stated—and I think it was in July, 1955—that they started using the Victoria bridge? Therefore, they could not have them prior to that.

Mr. PIGEON: Yes, 1955.

Mr. DOYLE: I think it would be possible to get a list. I am not certain whether it would be absolutely complete, at this point, because a lot of what might now be regarded as unessential records, might not be complete at this time.

If our files of requisitions for petty cash are still intact, we would have drivers' names there. But, for example, on daily shipping slips that were issued in 1955, when a particular driver took a particular trip, that record might have long since been destroyed.

Mr. PIGEON (*Interpretation*): I wanted to know in case one of your drivers would have found it more interesting, by way of promotion, applying for a job as toll collector.

The CHAIRMAN: Mr. Horner of Acadia is next.

Mr. HORNER (*Acadia*): With regard to 1956, Mr. Doyle, you stated that the driver then was on a cash basis, more or less; he was reimbursed when he returned to the warehouse?

Mr. DOYLE: Yes.

Mr. HORNER (*Acadia*): Did he have to produce any receipt, or—

Mr. DOYLE: For his trip?

Mr. HORNER (*Acadia*): Yes, with regard to bridge payments.

Mr. DOYLE: I do not believe so. I think what happened was this. The people in the dispatching office would have a list of the various types of vehicles that we used, and my understanding is that the office had each type of vehicle, which is designated by a number. They had the appropriate toll printed against it. So, when a vehicle of a certain designated number was checked out on a certain trip, the vehicle was positively identified on the shipping slip and, therefore, the appropriate amount of toll was known, by very easy check, when the man came back in. The dispatcher would look at the type of vehicle, and know he had to pay by type—say, a toll of \$3.20 or \$2.50.

Mr. HORNER (*Acadia*): It seems odd, if the type of vehicle was known, that the amount was not given to the driver to begin with.

Mr. DOYLE: I think I explained that—because of the fact, several of these drivers on these out of town runs would be leaving very late at night, when a person in authority was not around to issue petty cash, and it was only when we came to a 24-hour system, in March, 1958, that we actually began to handle it on that basis.

Mr. HORNER (*Acadia*): I believe I am right in assuming that you said your average was about ten crossings per week in 1956. Did I get that right?

Mr. DOYLE: I did not give a figure for 1956; I gave the figure as of July, 1955.

Mr. HORNER (*Acadia*): As of July, 1955—that was ten crossings per week?

Mr. DOYLE: Ten loads per week.

Mr. HORNER (*Acadia*): What was it in 1956?

Mr. DOYLE: I have not a figure for that, but it is the same store. I can only assume it might be possibly 15, if the business had grown substantially at that one store.

Mr. HORNER (*Acadia*): Were these your own trucks you were operating across this bridge?

Mr. DOYLE: Yes.

Mr. HORNER (*Acadia*): And you stated, in 1956, because of the various types of trucks, you found it difficult to make payments with the right ticket, or have the right ticket for the various types of trucks. How many different types of trucks are there, to keep that one store supplied?

Mr. DOYLE: It really is not a matter of one store; we have a good number of stores. Even back in 1955 and 1956, we had a substantial number of stores and a very large fleet. Very often, it is a question of what particular vehicle is available, at any given time, to take a particular trip. That is what caused the difficulty, plus the fact the vehicle was going out, in many cases, late at night. So, it was simpler to have him pay the \$2 out of his pocket and reimburse him the next morning, when he returned, when the normal office and warehouse staff were at work.

Mr. HORNER (*Acadia*): But, assuming it might be possible that the person passing across the bridge, without putting in the proper toll, he could come back to your store and produce no receipt whatsoever, and collect the toll for it.

Mr. DOYLE: That might be possible.

Mr. HORNER (*Acadia*): During the year 1956, anyway. From 1957 on, you bought the tickets for them?

Mr. DOYLE: Yes.

Mr. HORNER (*Acadia*): Could you give us an estimate as to how many drivers would have been hired in 1956 on the truck run?

Mr. DOYLE: I have not that information.

Mr. HORNER (*Acadia*): You would not be able to estimate it?

Mr. DOYLE: No, I do not think I could. We would have to check personnel records, I am afraid.

The CHAIRMAN: Are there any other questions along that same line?

Mr. HORNER (*Acadia*): You have prepared information, with the amount paid out each year by the company, leaving 1956 a blank, as I understand it.

Mr. DOYLE: For the tickets that were purchased directly from the National Harbours Board. I have not prepared a comparable list of all the amounts which were paid out of petty cash to drivers, on either a basis of reimbursing them after they got back from a trip, or paying them the actual amount of the toll before they went on the trip.

Mr. HORNER (*Acadia*): Would the amount paid out of petty cash be available for 1956, or was there any record made?

Mr. DOYLE: I would think it could be put together. I attempted to make a start on that yesterday, but I only received my summons on Monday—on Tuesday, I should say—and yesterday we just did not have sufficient time to put these figures together.

Mr. HORNER (*Acadia*): I realize, Mr. Doyle, that it would be impossible for you to come to the committee with all the figures which the various members might want, but it seems to me that in order to make a fair appraisal of this, we should have some estimates for 1956 of the number of trips made per week, and the types of vehicles that were making those trips, as well as the amount of money that came out of petty cash.

Mr. CHEVRIER: While you are doing that, could we also have it for 1957, 1958 and 1959?

Mr. HORNER (*Acadia*): To some extent we have that. However, if he wants to produce more information, I have no objection.

Have we been given the size of the fleet that Steinberg's operate, and how this fleet has increased in size over the years?

The CHAIRMAN: Will you furnish that for us?

Mr. DOYLE: Yes, we will.

The CHAIRMAN: You can let the Clerk have the figures, as well as the other information.

(See Appendices "B", "C" and "D").

Mr. DOYLE: On a yearly basis, the great majority of our fleet is not occupied in going over the bridges. We only have about seven stores that require these trips, and that is out of something like 125 stores.

Mr. HORNER (*Acadia*): Well, following up this line, would the same ones be continually going over the bridge—the same trucks and drivers? Would they be taking the same runs all the time?

Mr. DOYLE: I think there would be quite a bit of variation in regard to trucks and drivers.

Mr. HORNER (*Acadia*): There would be?

Mr. DOYLE: Yes.

Mr. HORNER (*Acadia*): Were you going to prepare for Mr. Pigeon a list of the drivers from 1955 on?

Mr. DOYLE: We can certainly attempt it.

Mr. HORNER (*Acadia*): That was requested.

The CHAIRMAN: It was requested, and Mr. Doyle will get it, if it is available. He will let the Clerk of the Committee have it.

(See Appendix "C".)

Mr. Deschatelets, you are next.

Mr. DESCHATELETS: My question already has been answered.

The CHAIRMAN: I think Mr. Pigeon wanted only the drivers who crossed the bridge.

Mr. Chown, you are next.

Mr. CHOWN: So has mine; I have a good counsel.

The CHAIRMAN: Mr. Drysdale.

Mr. DRYSDALE: Mr. Doyle, perhaps just to summarize in so far as the information you have given, the method for Steinberg's was, first of all, cheques to the National Harbours Board, and then cash?

Mr. DOYLE: If I might interrupt, not right at the start. Right at the very start, there was a short period when we used petty cash. We then went to cheques, and that was just used a short period, and then we went to cash—and when I say that, I am only referring to the Sherbrooke store, at this point.

For the stores we started to build in close to the city of Montreal, beginning in April, 1957, we started, for those stores, to purchase tickets direct from the National Harbours Board, starting in April, 1957, and for those stores, we continued to purchase tickets, because we knew the type of vehicle that we were going to use. Because they were such close in deliveries, we knew what type of vehicle we were most likely to use, and we could buy the tickets and be reasonably sure of using that particular type of vehicle. Also, we were delivering during the normal working day to those stores, unlike the out-of-town Sherbrooke store, where we delivered late at night.

Mr. DRYSDALE: When you said you purchased directly by cheque, would that be a requisition from the fleet supervisor, I suppose, to your accounting department, and you would issue a cheque to the National Harbours Board, and get so many tickets of a certain category?

Mr. DOYLE: Yes.

Mr. DRYSDALE: In regard to the information you supplied in connection with the number of bridge tickets, I notice you stopped about May, 1959; why did you stop at that period?

Mr. DOYLE: My information is that in April, 1959, we received a new tariff of tolls on the Jacques Cartier bridge, which went into effect, and the interpretation taken by our people was that henceforth only cash was going to be used, instead of tickets, I am not sure that is an exact interpretation of the National Harbours Board bulletin.

Mr. DRYSDALE: You did not acquire tokens?

Mr. DOYLE: No, we did not; and we obtained a refund of what was left of our outstanding tickets, and from that date on have issued exact cash to our drivers, before they leave on any run.

Mr. DRYSDALE: Would it be possible to have the information supplied as to—I think Mr. Heber Smith asked if it was possible to obtain that information; in other words, providing a cross-check on the number of loads and either the number of tickets, tokens or cash expended?

Mr. DOYLE: Are you speaking in relation to any particular period?

Mr. DRYSDALE: I was trying to speak, I suppose, for the period from 1955 on—and then, with regard to the token and cash aspect from March, 1959, I guess, up to as recent as it would be convenient—in other words, in the latter part, whether you are able to ascertain if there had been any increase in the volume of your business, shall we say, over the Jacques Cartier bridge.

I have one other point. Pardon me, did you want to make an interjection?

Mr. DOYLE: In effect, you want me to fill in the blank here by supplying what was purchased out of petty cash as distinct from what I have supplied here, which were purchased from the National Harbours Board?

Mr. DRYSDALE: Yes.

Mr. DOYLE: And subsequent to May 1, 1959, give you the information as to the total of the cash outlays related to the loads, and where they were going?

Mr. DRYSDALE: Do Steinberg's have their own investigation staff?

Mr. DOYLE: Yes.

Mr. DRYSDALE: Do you run checks on your trucks drivers?

Mr. DOYLE: Well, I think we run checks of a sort on various types of employees from time to time. I am not certain that I know what kind of checks you mean.

Mr. DRYSDALE: Well, from the information you have given, I presume nobody in your position, or under you, except for the truck drivers—the only evidence you could give is that as far as you know Steinberg's have acquired a certain number of tickets which they have issued to the truck drivers, and they have given a certain amount of cash to the truck drivers; but you do not know, personally, anybody in a supervisory capacity, as to whether or not any tolls—and I want to make it clear that there is no reflection on any of the Steinberg truck drivers— but looking at the situation logically, there is nobody in your position able to ascertain whether or not all or any of the tickets or the cash were paid in going over the Jacques Cartier bridge?

Mr. DOYLE: No. I think that is probably a fair statement. We would have relied, for the most part, on the fact that if we made a shipment to our store in Sherbrooke, when the driver came back he would have evidence of delivery of that shipment to the store in Sherbrooke or, conversely, the store in Sherbrooke would mail in a receipt within a day or so, providing a check on delivery. The mere fact the goods had reached there would, in our view, be justification for reimbursing the driver for the toll, if he had to pay it out of his own pocket, or would be satisfactory evidence to us that he had paid the ticket to the bridge which we had given him.

Mr. DRYSDALE: Well, again generalizing, in regard to any truck drivers—and not referring to Steinberg's—it would be a matter between the truck driver and the bridge toll collector as to whether or not in any instance they may have gone through without perhaps paying cash or without perhaps issuing a ticket?

Mr. DOYLE: Yes, I would say so.

Mr. DRYSDALE: You would not have any information on that?

Mr. DOYLE: None at all.

Mr. DRYSDALE: Would your investigation department—they would not check on an item of that nature?

Mr. DOYLE: I do not believe we have ever had any occasion to do so, or that anything has ever been suggested to us, as far as I have been able to find out, that suggested an investigation of that sort.

Mr. DRYSDALE: In the majority of your trucks the driver was alone?

Mr. DOYLE: Yes, I believe so.

Mr. DRYSDALE: There was no "swami"?

Mr. DOYLE: Yes.

Mr. DRYSDALE: I presume you would have the same difficulty as the C.N.R. investigations staff had; it would be pretty well impossible to run a check. I understand the C.N.R., during the whole period when they were endeavouring to check on the Jacques Cartier bridge, never checked any trucks as to whether these payments were being made. So, I presume, you would have the same difficulty?

Mr. DOYLE: I am afraid I could not give any kind of a worthwhile opinion on that.

Mr. DRYSDALE: I was just trying to fill in the background information for you. You would not know—and I guess it would be immaterial—as to whether the trucks, at certain times, might go over the Victoria bridge, because of the interchangeability of the tickets or cash?

Mr. DOYLE: To the best of my knowledge and belief we made virtually no use of the Victoria bridge, except in circumstances where perhaps the Jacques Cartier bridge might be closed, because our traffic is in the other direction, for the most part. We are located to the east of the Jacques Cartier bridge. In other words, the Jacques Cartier bridge is the closest bridge to us, and there would be no logic in a driver going on much further west to cross by the Victoria bridge.

Mr. HOWE: I wonder if the witness could indicate—in all the figures that he has given, with regard to the number of trips across—whether Steinberg's sell to other stores than their own?

Mr. DOYLE: Not from the Montreal operation, no.

Mr. HOWE: Do they not have another company, the Export Packers?

Mr. DOYLE: No.

Mr. HOWE: That is not included in Steinberg's operation?

Mr. DOYLE: No, I do not know what company that is.

Mr. HOWE: I understood that they had a subsidiary packing company.

Mr. DOYLE: We have a subsidiary wholesale firm here in Ottawa, but it does not supply stores in Quebec. It might supply a store in Hull, and in that general area, but not in the area under discussion.

The CHAIRMAN: Any further questions, Mr. Howe?

Mr. HOWE: No.

Mr. CHEVRIER: By reason of repetition, there are one or two points here that do not appear to me to be clear. You stated that in 1955—and that is the time you started to use the Jacques Cartier bridge—you paid the toll by cheque to the National Harbours Board direct?

Mr. DOYLE: Yes, only after we had first started handling out of the petty cash. We only did it for the period—as near as I have been able to discover, so far as our records are concerned—during the months October through December 1955.

Mr. CHEVRIER: That is the period during which cheques were issued?

Mr. DOYLE: Yes, three cheques were issued to the National Harbours Board.

Mr. CHEVRIER: From October to December, 1955?

Mr. DOYLE: Right.

Mr. CHEVRIER: And, after that?

Mr. DOYLE: From there, right through to April, 1957—It is a little difficult to explain, unless you keep in mind that we are talking about two different types of stores, because in that store which we opened in 1955, and which we continued to supply right up until now—

Mr. CHEVRIER: That is the Sherbrooke store?

Mr. DOYLE: Yes, the Sherbrooke store—it was on a different basis from the store we opened in April, 1957, which was close in. That is, when our cheques for the National Harbour Board resumed; basically I was referring to that close-in store.

Mr. CHEVRIER: Did you treat the stores differently, in so far as the payment of tolls was concerned?

Mr. DOYLE: Yes, very definitely.

Mr. CHEVRIER: That is what I am not quite clear on. Would you mind dealing, first, with the Sherbrooke store?

Mr. DOYLE: The Sherbrooke store we started supplying approximately, in June or July, 1955. We started first to handle the tickets on a petty cash basis, but because we ran into the problem of usage of different types of vehicle—with different axles, sizes of trucks and cabs and, consequently, different rates of toll—it was difficult to have the right types of ticket available. Secondly, we thought it was very convenient to ship at night to this out-of-town store, in order to get goods into the store early in the mornings, to meet the early morning trade; and because we did not have staff available whom we wished to entrust with these tickets and to hand out the proper type of ticket, we changed over—to hand out “petty cash.” I should say first—we turned over to a basis of buying tickets. We did that, as nearly as I can tell, for approximately three months in 1955, during the months of October through December. This business of tickets, this caused us difficulty too: the same objections held. We did not have people around to tell the driver this particular type of vehicle warranted a certain ticket to cross the bridge. So we changed from that system to saying to the driver—and this is just on this one run—“You pay the toll”—which would amount probably, at the most, to \$2 or \$3—“and on your return trip we will reimburse you out of our petty cash”.

Mr. CHEVRIER: Did this system continue, in so far as the Sherbrooke store was concerned, until now?

Mr. DOYLE: Not quite. I continued through, basically on a cash basis, right up to the present time; but the only change that was made was that in 1958 we went on to a 24-hour despatching service. So instead of refunding to the driver we issued him the exact cash for his run before he set out.

Mr. CHEVRIER: In so far as the other stores are concerned, the stores other than the Sherbrooke one, how did you pay the tolls for those?

Mr. DOYLE: On these stores we bought tickets, by cheque, from the National Harbours Board, starting about April, 1957; and we continued on that basis until about the end of March, 1959. At that point the new tariff came out for the Jacques Cartier bridge, which eliminated the ticket system. At that point we decided to issue cash to the drivers, and that is our present system, the one which we have followed ever since that date.

Mr. CHEVRIER: Why did you make a distinction between the Sherbrooke store, on the one hand, and stores other than the Sherbrooke store on the other, as to payment?

Mr. DOYLE: The stores which were in close, the stores other than the Sherbrooke store and a store in St. John, Quebec—we knew the type of vehicle

we would be using to make deliveries. In other words, we were using the same type of vehicle for those stores as we would for local deliveries in the city of Montreal proper. Consequently, it is very easy to buy the type of ticket for the one or two, or possibly three types of vehicle we use to deliver to those local stores. At the out-of-town stores, where we made less frequent deliveries, but sometimes much larger deliveries, we have a varying type of load going out—sometimes a completely refrigerated load requiring special equipment, and a load, sometimes, where there would be a tandem axle which would influence the toll rate.

Mr. CHEVRIER: Mr. Drysdale put a question to you as to whether you knew of the relationship between the actual truck driver and the collector of tolls, what might have happened as between the two; and you said you did not know.

Mr. DOYLE: I have no knowledge whatever of that.

Mr. CHEVRIER: My question is: Would there be anybody else in your organization who would have any information as to this?

Mr. DOYLE: I would say, with as much certainty as anyone could have on that subject, that there would not be.

The CHAIRMAN: Mr. Browne?

Mr. BROWNE (*Vancouver-Kingsway*): I take it that in each instance these cheques were actually made payable to the National Harbours Board—in all cases?

Mr. DOYLE: Yes, I have copies of some of that information here, actually.

Mr. BROWNE (*Vancouver-Kingsway*): Did I understand you to say the reason you went back to cash, when the new toll gate went in, was because the National Harbours Board required you to pay cash?

Mr. DOYLE: I think it is more on a basis of tokens, but tokens and tickets are pretty much the same type of thing. Our people decided at that point that since we had a 24-hour despatching service—which we had put in not too long before—it was quite reasonable to keep an amount of petty cash on hand and have a responsible individual issue the exact amount to the driver, the amount which would be required for his trip.

Mr. BROWNE (*Vancouver-Kingsway*): It is a rather substantial amount of money to handle in that way. In 1958 there were \$6,500. I am just wondering how your accounting department would do it. In other words, I presume the same would apply in that. There is no receipt required from the driver, and I was wondering how your accounting department would handle any substantial amount, such as \$6,500—and this year it is going to be bigger than that, no doubt.

Mr. DOYLE: I think that is easily explained. The warehouse people would issue a requisition to the accounting people to bring their petty cash funds up. For the sake of argument, let us say it was \$250. They would daily, as they made deliveries, fill out requisitions to the accounting department; or if not daily, at least at very regular intervals, attaching a list of all the disbursements they had made to petty cash, indicating the appropriate account number to which each disbursement was to be charged. And each disbursement of petty cash for a bridge toll would show an appropriate account number. Then there would be a breakdown as between the account numbers for what might be termed out-of-town deliveries and for those which we might call metropolitan store deliveries, just over the bridge.

Mr. BROWNE (*Vancouver-Kingsway*): I was thinking of the income tax people, for instance. Would they accept expenditures of \$9,000 or \$10,000 without any receipts? There is no actual proof of expenditure?

Mr. DOYLE: I think the income tax people would probably have accepted the logical explanation that you cannot take 10,000 pounds of groceries across a bridge and not pay for them.

Mr. BROWNE (*Vancouver-Kingsway*): I have never found them that easy to deal with myself.

The CHAIRMAN: Any other questions, Mr. Browne?

Mr. BROWNE: (*Vancouver-Kingsway*): I understand you are going to provide us with details of what your costs were for 1959 and up to the present time?

Mr. DOYLE: I will try to do that.

The CHAIRMAN: Any further questions?

Mr. CHEVRIER: Could we get some information about the amendment to the Railway Act?

The CHAIRMAN: If not, we will thank Mr. Doyle and let him go.

Do you want Mr. Doyle excluded, if he wishes to stay to hear the other evidence?

Mr. CHEVRIER: Not after he has given evidence, I hope!

Mr. CHOWN: That is being very unsociable, Mr. Chairman!

The CHAIRMAN: Would you call Mr. Girard, the general manager of Miron & Frères Ltée.?

Mr. CHOWN: Now you are back on the managerial level, Mr. McPhillips.

Mr. McPHILLIPS: We will see what he knows.

The CHAIRMAN: Gentlemen, we now have with us Mr. Jean Girard, General Manager of Miron et Frères, Ltée. Mr. McPhillips asked that he be called, so naturally Mr. McPhillips will have the first opportunity to question the witness after Mr. Girard has been sworn by the clerk; and then Mr. Pigeon. Jean Girard, Sworn.

Mr. McPHILLIPS: Please give me your full name.

Mr. JEAN GIRARD (*General Manager, Miron et Frères Ltée.*): Jean Girard.

Mr. McPHILLIPS: What office do you hold in your corporation?

Mr. GIRARD: I am general manager and director.

Mr. McPHILLIPS: How long have you held that office?

Mr. GIRARD: For about ten years, sir.

Mr. McPHILLIPS: In your capacity as general manager, are you aware of the trucking operations of your company?

Mr. GIRARD: I am.

Mr. McPHILLIPS: I mean not just generally, but in detail? You understand them?

Mr. GIRARD: Well, I pick up details from different sources, because we have many dispatching services.

Mr. McPHILLIPS: What is the nature of your corporation's business?

Mr. GIRARD: We are in excavation, ready mixed concrete, cement, crushed stone, concrete pipes, concrete blocks, and quite a few other things that I forget.

Mr. McPHILLIPS: Do you know how many trucks your company has in operation?

Mr. GIRARD: We have about 300 vehicles, trucks and cars.

Mr. McPHILLIPS: They range from what size to what size?

Mr. GIRARD: I did not get your question.

Mr. McPHILLIPS: From the smallest to the largest, just describe them.

Mr. GIRARD: How many tons? You mean the capacity of our trucks?

Mr. McPHILLIPS: Yes.

Mr. GIRARD: We have very small pick-ups, but most of our trucks are ten-tonners. We have a big float which would carry heavy equipment like shovels, tractors, and things like that.

Mr. McPHILLIPS: Who is actually in charge of these trucking operations? What official in your company?

Mr. GIRARD: Well, that question is hard to answer because we have quite a few dispatching divisions. Excavations would be one department; ready-mixed concrete would be another one; and the trucking of stone and concrete blocks is another one. We have different sources which are dispatching.

Mr. McPHILLIPS: Are your trucks frequent users of the Jacques Cartier bridge?

Mr. GIRARD: I would say yes.

Mr. McPHILLIPS: Do you know what your truck traffic over the bridge would be, per week, for instance?

Mr. GIRARD: I do not have the number of trucks, but I have it in dollars that we have paid. I have the amount that we have paid on the bridge, which shows exactly what we paid over the year, or over each period of time.

Mr. McPHILLIPS: When you say what you paid the bridge, was that as a result of the purchase of tickets for truck passage?

Mr. GIRARD: Yes.

Mr. McPHILLIPS: You purchased tickets directly from the National Harbours Board?

Mr. GIRARD: Yes sir.

Mr. McPHILLIPS: Does that apply to your operations, and for how long?

Mr. GIRARD: It went back to 1955 here, to July 4, 1955.

Mr. McPHILLIPS: Yes.

Mr. GIRARD: I know from memory that we have been doing it before that too, but I only took the cheques and things from 1955.

Mr. McPHILLIPS: From July 4, 1955?

Mr. GIRARD: That is right.

Mr. McPHILLIPS: Your company uses this system of purchasing tickets in advance?

Mr. GIRARD: We have done it before that, but I got the records from July 4, 1955.

Mr. McPHILLIPS: Yes, I see. Now, since the Jacques Cartier bridge has been on an automatic toll basis, that is from September, 1959, how do you pay for tolls now?

Mr. GIRARD: The same way, sir.

Mr. McPHILLIPS: By the purchase of tickets?

Mr. GIRARD: That is right.

Mr. McPHILLIPS: Have you got the figures for these years, from July 4, 1955, on, as to your purchases?

Mr. GIRARD: I have from July 4, 1955 to the end of 1955, and the amount is \$12,057.80.

Mr. McPHILLIPS: Have you got that in the form of a schedule?

Mr. GIRARD: It is \$12,057.80 to the end of 1955.

Mr. McPHILLIPS: Perhaps we could have it filed.

The CHAIRMAN: Would you like this to be included in the appendix of these minutes?

Mr. CHOWN: To what date does it run?

The CHAIRMAN: 1955, the fourth month.

Mr. CHOWN: What is the closing date?

The CHAIRMAN: We have it until 1958; we have it right up to the 23rd of the fifth month of 1960.

Mr. CHOWN: I think it should be filed.

The CHAIRMAN: Are we all agreed?

Agreed.

(See Appendix "E" hereto.)

Mr. McPHILLIPS: As to the method of payment, how would that money be paid to the harbours board? Would it be in cash or by cheque?

Mr. GIRARD: Always by cheque.

Mr. McPHILLIPS: To the harbours board?

Mr. GIRARD: To the National Harbours Board, yes.

Mr. McPHILLIPS: Would the amount be prepared or arrived at by reason of a requisition from one of your officials?

Mr. GIRARD: What is that again, please?

Mr. McPHILLIPS: Would these cheques be prepared as the result of a requisition from one of your officials?

Mr. GIRARD: Yes, they would. I can explain to you, if you want more details, exactly the way we proceed.

Mr. McPHILLIPS: Yes, I would like to have it.

The CHAIRMAN: Please do.

Mr. GIRARD: For heavy equipment we have a requisition, because heavy equipment would pay a different rate from ordinary trucks.

Our dispatcher sends a requisition to the bridge showing the number of trucks which are going to pass, with a shovel on or not, and at the end of the month they take that requisition at the National Harbours Board, and attach a delivery slip to it, or an invoice, and we send a cheque upon the receipt of that invoice. That is one possible case for heavy equipment.

Mr. McPHILLIPS: Is that done after the trip has been made?

Mr. GIRARD: That is right. We pay at the end of the month for that particular case.

Mr. McPHILLIPS: And the bridge authorities keep track of the passage of the trucks?

Mr. GIRARD: Yes, and they send us an invoice at the end of each month for every time the trucks were on the bridge, and they attach to it a delivery slip, and our order from our dispatcher.

Mr. McPHILLIPS: That would be for your really heavy equipment?

Mr. GIRARD: For the non-standard equipment.

Mr. McPHILLIPS: And what about the other equipment?

Mr. GIRARD: For the others we have rates which depend on the size of the truck. For instance, for the ten wheelers, it is \$1.50 each trip. We buy tickets which usually amount to \$750. That is we buy each time when they start to be short of those tickets. I will give you some of the rates: they are \$1.50; 50 cents, and 25 cents. We pay 25 cents for the pick-up size, 50 cents for the truck size, and \$1.50 for the ten wheeler size.

Immediately upon receipt of these books, we stamp the name of our company on each ticket, as being our tickets, Miron Frères, and each time the truck goes away on a trip, when he picks up a delivery slip, he is given a ticket.

Mr. MCPHILLIPS: That is to say, whenever he picks up a load, whatever official of your company is in charge would give him a ticket?

Mr. GIRARD: The dispatcher of each department would give him the ticket.

Mr. MCPHILLIPS: What about the non-standard vehicles? I think your evidence is to the effect that you are billed monthly by the harbours board. What rotation was made in your records of these various trips?

Mr. GIRARD: There is the order we give to the driver, permission to cross the bridge. I have a sample of it here.

Mr. MCPHILLIPS: And then in turn the harbours board would forward this to you to support their billing?

Mr. GIRARD: When they bill us, that order that we have given previously would support that billing; otherwise we would not agree together.

The CHAIRMAN: Are there any other questions?

Mr. MCPHILLIPS: I want to ask you this question: have you had trouble with your drivers in regard to the use of the Jacques Cartier bridge?

Mr. GIRARD: No, we never did.

Mr. MCPHILLIPS: You never had an instance of a driver getting into trouble?

Mr. GIRARD: No.

The CHAIRMAN: Are there any other questions?

Mr. MCPHILLIPS: Not from me.

The CHAIRMAN: Well then, Mr. Pigeon?

Mr. PIGEON (*Interpretation*): Your firm, Miron et Frères Ltée., participated in the St. Lawrence seaway work, did it not? Did you have special privilege, or did you pay just the same?

Mr. GIRARD (*Interpretation*): We paid just the same.

Mr. PIGEON (*Interpretation*): During the period in which you participated in the seaway work, would it be possible to know the number of trucks which crossed the bridge?

Mr. GIRARD (*Interpretation*): I do not have the number of trucks, but for the year 1957 we paid out \$4,000. When you compare it to other years previously, in the previous year we paid between \$11,000 and \$12,000.

Mr. PIGEON (*Interpretation*): Do you have the number of trucks?

Mr. GIRARD (*Interpretation*): I could not say, because the number was too high.

Mr. PIGEON (*Interpretation*): Have you heard that any irregularities were committed on the Jacques Cartier bridge?

Mr. GIRARD (*Interpretation*): Just as the people of Montreal—in the newspapers.

Mr. PIGEON (*Interpretation*): Before that, previously, you never heard anything at all?

Mr. GIRARD (*Interpretation*): No.

Mr. PIGEON (*Interpretation*): Before that, your drivers never called your attention—your drivers never reported—you never heard that some of your drivers might have had special arrangements whereby they did not pay?

Mr. GIRARD (*Interpretation*): The arrangements that we had with our drivers were such that they could not have done anything at all. Our arrangements were such there could be no repercussions at all.

Mr. PIGEON (*Interpretation*): Did any member of this committee communicate with you or another member of Miron and Frères, relative to the present inquiry?

Mr. GIRARD (*Interpretation*): I was called by Mr. Jones, who stated that he would send a form to call me here.

The CHAIRMAN: Are there any other questions? If not, we will excuse Mr. Girard, and thank him very much for coming.

Will you call the other witness.

The next witness will be Mr. Albio Bélanger, owner and manager of Bélanger Transport.

You do not mind being sworn?

Mr. ALBIO BÉLANGER (*Owner and manager, Belanger Transport Enrg., St. Jean Port Joli Quebec*) (*Interpretation*): No.

The CHAIRMAN: The Clerk will then swear Mr. Belanger.

ALBIO BÉLANGER, SWORN.

The CHAIRMAN: Mr. Bélanger, does not speak English, so all his answers will have to be interpreted.

I believe Mr. McPhillips requested Mr. Bélanger's attendance.

Mr. DRYSDALE: In French, please, Mr. McPhillips.

The CHAIRMAN: Mr. Asselin will follow Mr. McPhillips.

Mr. McPHILLIPS: Will you please tell me your full name?

Mr. BÉLANGER (*Interpretation*): Albio Bélanger, Bélanger Transport Limited.

Mr. McPHILLIPS: Where is the headquarters of your company situate?

Mr. BÉLANGER (*Interpretation*): At St. Jean Port Joli.

The CHAIRMAN: Will you kindly ask Mr. Bélanger, when he speaks in French, to speak a little louder, so the reporter can get it.

Mr. McPHILLIPS: Is your company a trucking company for hire?

Mr. BÉLANGER (*Interpretation*): No.

Mr. McPHILLIPS: Under what basis then do you operate your trucks?

Mr. BÉLANGER (*Interpretation*): From Montreal to St. Jean Port Joli, and from Quebec to St. Jean Port Joli.

Mr. McPHILLIPS: Yes, but how do you operate? You say you are not a trucking operator for hire. How do you derive your revenue?

Mr. BÉLANGER (*Interpretation*): We truck merchandise goods of all kinds for merchants.

Mr. McPHILLIPS: In other words, you truck the merchandise or other goods for hire; that is, you are paid by the owner of the goods? Is that right?

Mr. BÉLANGER (*Interpretation*): Yes.

Mr. McPHILLIPS: The place you mentioned as being your headquarters is on the south shore of the river, is it not?

Mr. BÉLANGER (*Interpretation*): Yes.

Mr. McPHILLIPS: How many vehicles do you have in your transport company?

Mr. BÉLANGER (*Interpretation*): Eight.

Mr. McPHILLIPS: And what size are they?

Mr. BÉLANGER (*Interpretation*): From six tons to one-half ton.

Mr. McPHILLIPS: Do you make use of the Jacques Cartier bridge in your operation?

Mr. BÉLANGER (*Interpretation*): Yes.

Mr. McPHILLIPS: To what extent do you make use of that bridge?

Mr. BÉLANGER (*Interpretation*): In general, about three times per week.

Mr. McPHILLIPS: And what method do you use for paying your bridge tolls?

Mr. BÉLANGER (*Interpretation*): In cash.

Mr. McPHILLIPS: Is it not a fact that in the month of August, 1959, you purchased tickets from the National Harbours Board?

Mr. BÉLANGER (*Interpretation*): No. I never purchased any tickets; it was always paid for in cash.

Mr. McPHILLIPS: Is there any other trucking firm of the same name as your own?

Mr. BÉLANGER (*Interpretation*): Not in our vicinity; perhaps elsewhere, but not at home.

Mr. McPHILLIPS: Well, now, to be fair to you, witness, I want you to know that in evidence given by an officer of the National Harbours Board, Belanger Transport was listed as having purchased tickets from the National Harbours Board. What do you have to say in regard to that?

Mr. BÉLANGER (*Interpretation*): I have nothing to say. We always paid cash each time, going and returning. We never bought any tickets.

Mr. McPHILLIPS: What did your cash outlays amount to per month, in the use of the Jacques Cartier bridge?

Mr. BÉLANGER (*Interpretation*): I do not have those figures with me. In general, we went over the bridge three times a week.

Mr. McPHILLIPS: What method did you use? Did you advance the cash to your driver, or did you reimburse him?

Mr. BÉLANGER (*Interpretation*): In general, my sons were the ones who drove the trucks, and I gave them the money before they left. They reimbursed anything that was left over, upon their return.

Mr. McPHILLIPS: Did the drivers bring receipts back to show their expenditure?

Mr. BÉLANGER (*Interpretation*): Before the automatic toll collection equipment went into effect, they brought back the little receipt stub, but since then there has been none.

Mr. McPHILLIPS: In regard to your fleet of trucks, which you said to be eight, has that always been your position, or have you had more in recent times?

Mr. BÉLANGER (*Interpretation*): Since last year, I bought two more, only not all of them go to Montreal; only two come to Montreal.

Mr. McPHILLIPS: Have you in the past leased any trucks for use in your operation?

Mr. BÉLANGER (*Interpretation*): Never. I never leased any trucks.

The CHAIRMAN: Are there any further questions?

Mr. ASSELIN (*Interpretation*): Mr. Bélanger, you have stated you passed over the Jacques Cartier bridge about three times a week. You also stated that you gave the money in advance to your drivers to pay for the bridge tolls. How much did you give to your drivers to go over the Jacques Cartier bridge?

Mr. BÉLANGER (*Interpretation*): \$3 in all for a return trip; \$1.50 each way.

Mr. ASSELIN (*Interpretation*): Each time that you gave out this money was a receipt returned to you?

Mr. BÉLANGER (*Interpretation*): They brought back the small ticket stub.

Mr. ASSELIN (*Interpretation*): Did you yourself Mr. Bélanger, ever have the occasion to drive one of the trucks over the Jacques Cartier bridge?

Mr. BÉLANGER (*Interpretation*): Yes.

Mr. ASSELIN (*Interpretation*): Did it happen often in the last five years?

Mr. BÉLANGER (*Interpretation*): I have not gone over the bridge for about a year. It has always been my sons who have gone over.

Mr. ASSELIN (*Interpretation*): I am talking of you personally. About how many times did you personally go over the bridge in the last five years?

Mr. BÉLANGER (*Interpretation*): Last spring I went over four times.

Mr. ASSELIN (*Interpretation*): Before the installation of the automatic toll collection equipment did you often go over the Jacques Cartier bridge?

Mr. BÉLANGER (*Interpretation*): I may have gone over three or four times a year, but it has been a year since I went over.

Mr. ASSELIN (*Interpretation*): Did you yourself personally pay in cash when you went over the Jacques Cartier bridge?

Mr. BÉLANGER (*Interpretation*): Yes sir.

Mr. ASSELIN (*Interpretation*): Could you describe the procedure between the toll collector and yourself?

Mr. BÉLANGER (*Interpretation*): When I had \$2 he gave me 50 cents change and gave me a ticket.

Mr. ASSELIN (*Interpretation*): Were you always given a ticket?

Mr. BÉLANGER (*Interpretation*): Yes.

The CHAIRMAN: Are there any further questions? Mr. Baldwin is next, and then Mr. Denis.

Mr. BALDWIN: Did you give clear and definite instructions to your drivers to bring the receipts back to you?

Mr. BÉLANGER (*Interpretation*): Yes. They gave them to me after they returned.

Mr. BALDWIN: You gave your drivers those instructions to bring back the receipts to show they had paid for crossing the bridge?

Mr. BÉLANGER (*Interpretation*): Yes.

Mr. BALDWIN: Were those instructions given partly because of the rumours you had heard about irregularities in connection with the bridge?

Mr. BÉLANGER (*Interpretation*): No. It was because I wanted to pay what was due. I never heard any rumours about the bridge.

The CHAIRMAN: Have you any further questions, Mr. Baldwin?

Mr. Denis is next.

Mr. DENIS (*Interpretation*): Mr. Bélanger, a while ago you stated you paid \$3 for the return toll to cross the bridge.

Mr. BÉLANGER (*Interpretation*): Yes.

Mr. DENIS (*Interpretation*): Since the installation of the automatic equipment how much do you now pay?

Mr. BÉLANGER (*Interpretation*): \$1.50. It is always the same price.

Mr. ASSELIN (*Interpretation*): Did it ever happen that you paid more money than that because of the weight of the truck crossing the bridge?

Mr. BÉLANGER (*Interpretation*): There was never any question of weight. It was always \$1.50 and \$1.75 for double trailer.

Mr. ASSELIN (*Interpretation*): Do your trucks going to Montreal cross the Jacques Cartier bridge at regular hours and times?

Mr. BÉLANGER (*Interpretation*): No.

The CHAIRMAN: Are there any other questions?

Mr. PIGEON (*Interpretation*): In your experience, Mr. Bélanger, do you find that as a result of the installation of automatic equipment there will be less irregularities?

Mr. CHEVRIER: On a point of order, this is not an expert witness.

Mr. DESCHATELETS: The witness is here to answer questions relating to his firm. Now he is being asked for an opinion.

The CHAIRMAN: You cannot ask for a personal opinion. It would only be one person's opinion.

Mr. DRYSDALE: I think, with respect, that Mr. Pigeon is entitled to ask Mr. Bélanger what his opinion is on this particular matter. The weight which we will give it when preparing our report is another matter. He perhaps is not an expert, but nevertheless I think Mr. Pigeon is entitled to get his opinion.

Mr. DESCHATELETS (*Interpretation*): Mr. Chairman, we cannot expect any other reply from the witness, except that he does not know.

Mr. PIGEON (*Interpretation*): Mr. Chairman, I believe that the hon. member for Maisonneuve-Rosemont did not understand the meaning of my question.

The CHAIRMAN: Will you repeat your question?

Mr. PIGEON (*Interpretation*): Mr. Bélanger has a trucking firm. He has trucks which have crossed the Jacques Cartier bridge and they have crossed during both systems, the system of manual collection and automatic collection.

Mr. BOURGET: Mr. Chairman, on a point of order—

The CHAIRMAN: Order. Let this be translated first.

Mr. PIGEON (*Interpretation*): What I want to know is, in Mr. Bélanger's experience will the automatic toll equipment bring about less or more irregularities?

Mr. BOURGET: Mr. Chairman, on a point of order, I think the witness has just said in the last year he has crossed the bridge three or four times and there were no irregularities. So how could he be asked such a question? I cannot understand a member of this committee asking a question such as that of a witness.

The CHAIRMAN: Mr. Smith is next.

Mr. SMITH (*Simcoe North*): I think this committee of parliamentarians is wasting a lot of time on whether or not the questions should be answered. I am sure the answer will be perfectly innocuous. If we let Mr. Bélanger answer, then we can get on with something else.

Mr. BOURGET: I know; but it could be put on the record, and maybe when we prepare the report, it will be used.

Some Hon. MEMBERS: No, no!

The CHAIRMAN: Order, gentlemen. Mr. Deschatelets.

Mr. DESCHATELETS (*Interpretation*): On the same point of order, Mr. Chairman: I submit that the new question directed by the honourable member for Joliette-L'Assomption-Montcalm is even more out of order than the previous one, and the only answer that the witness can give is that he does not know.

Mr. PIGEON (*Interpretation*): Mr. Chairman, I do not want the opposition to impose closure on me.

Some Hon. MEMBERS: Order!

Mr. DESCHATELETS: The witness can answer that he—

Mr. ASSELIN: He gave the answer already.

The CHAIRMAN: The question has been asked of the witness, the way I understood it, whether the present system is better than the old system.

Mr. PIGEON: Yes—within his own experience.

The CHAIRMAN: In his own experience.

Mr. CHEVRIER: No, that was not the question, Mr. Chairman. The question was whether the system was conducive to more irregularities, and this witness has already said there were no irregularities, as far as he is concerned. That is why it is out of order.

Mr. PIGEON (*Interpretation*): I just wanted to know, within the experience of Mr. Bélanger, in talking to his drivers, is he of the opinion that the new, automatic equipment, is superior, in the general interest of the public, to the former system.

The CHAIRMAN: I would think that was a fair question, the way you have put it at the present time.

Mr. PIGEON: Thank you, Mr. Chairman.

Mr. DENIS: It has been proved many times before that.

The CHAIRMAN: And it has been changed.

Mr. DENIS: And it has been proved many times.

Mr. BÉLANGER (*Interpretation*): My men find that it is a very reasonable system. Personally, I do not travel very much over the bridge.

Mr. PIGEON (*Interpretation*): Do your men find—

Mr. BÉLANGER (*Interpretation*): My men seem to feel that it is a good system.

Mr. PIGEON (*Interpretation*): Do they find that it is superior to the old one?

Mr. BÉLANGER (*Interpretation*): I paid just the same before, but now the system is a better one. Personally, I do not cross very often.

The CHAIRMAN: Are there any other questions, gentlemen?

Mr. DRYSDALE: Mr. Chairman, while Mr. Bélanger is here—perhaps this might be a matter of a question of privilege. Mr. McPhillips—it does not concern a question of Mr. Bélanger—had indicated that there were certain companies listed; among them was this Bélanger Transport Cie Ltée.

The CHAIRMAN: What page is that?

Mr. DRYSDALE: Page 756.

Mr. CHEVRIER: Proceedings?

Mr. HORNER (*Acadia*): It does not matter what proceedings it is.

Mr. DRYSDALE: The pages are numbered consecutively, Mr. Chevrier.

Mr. CHEVRIER: Thank you; it is very generous of you.

Mr. DRYSDALE: I am sorry; I just could not find the section conveniently. It is in proceedings number 10, on page 650 that Mr. McPhillips asked:

Have you any figures to show when these truck companies purchased these tickets? What would they aggregate in a month?

Mr. CLEMENT: I cannot answer that from memory, although I could find out. Let us say we had about 50 companies buying what we called "sold en bloc" tickets. There are about 50 companies buying them. I would say it amounted to maybe an average of \$100 a month for each company.

And it is Appendix "H" on page 756, under the heading "List of companies which were purchasing 'sold en bloc' tickets". I understand that the companies listed would be purchasing tickets of at least \$100 per month. What I am trying to ascertain is this: either we have got the wrong company, or Mr. Clément made a mistake in the companies that he was referring to.

The CHAIRMAN: Mr. Drysdale, I think I will ask Mr. Jones, our clerk, to answer that question, because he was the one who did the telephoning and the checking on this.

The CLERK OF THE COMMITTEE: Mr. Chairman—

Mr. DRYSDALE: Shall we swear him in, Mr. Chairman?

Mr. CHAIRMAN: No; I think he has done enough swearing!

The CLERK OF THE COMMITTEE: Following the instruction of the committee that officials of these three companies be called, as named on page 756—the three that Mr. McPhillips selected—I telephoned that day, by long-distance telephone, to the first two, Steinberg's Limited and Miron & Frères Ltée. These were quickly dealt with, and they called me back later and gave me the names of their officials, who were duly summoned in each case.

With Bélanger Transport Cie Ltée, some difficulty arose. They were listed in the Montreal telephone book by that name, and were the only one reasonably like it. I contacted the manager—I have forgotten his name: I have it in my records at the office—and explained what the requirement was. He was concerned that if he were required to come, it would be serious for his firm, it being a small firm, operating locally on the south shore, with six trucks only.

He said they practically never crossed the two bridges, and was quite certain that they had never bought any *en bloc* tickets. He volunteered the information that sometimes his small firm was confused for a very large firm whose name was pronounced somewhat the same—at least, by an English-speaking Canadian, I think—"Delangis," instead of "Bélanger."

Therefore, I called the National Harbours Board in Montreal and spoke to Mr. Beaudet. He quickly looked up his records and said, "We have it in our records as Bélanger Transport Cie Ltée". I told him what the problem was. He said they would go into it further, but they definitely had records of that firm; and he gave me four particular cases of sales *en bloc* tickets, three in August, and one in July, 1959.

I then called Bélanger Transport Cie Ltée and said, "Take these figures down". He took them down, and he said, "Well, I do not have to look anything up; I am sure we have never bought any tickets". Then he said, "But I have an idea. May I call you back in a little while?"; and I said, "Yes, please do."

He did so, in about half an hour, and he said, "I think perhaps a company known as Bélanger Transport, which is not a limited company, and which operates on the south shore between St. Jean Port Joli and Montreal, may be the firm that you want. I can give you their number in St. Jean Port Joli". He also said, "I have found out that they have a one-room office in Montreal". He gave me the street address and the telephone number.

I conferred with the chairman and Mr. McPhillips, and both were of opinion that in the circumstances I should proceed to summon Mr. Belanger, who is here with us today. I called him by long-distance telephone at St. Jean Port Joli and told him what would be required of him. Then I confirmed it with an official summons.

Mr. DRYSDALE: Mr. Chairman, there is still this difficulty, that we have had evidence given where these companies on this particular list were supposed to have had at least an average of \$100 worth of business a month. Also, we have had evidence this morning where a couple of companies have been doing,

in the case of Steinberg's, \$400 worth, perhaps more; and in the case of this last company—the witness before—perhaps even considerably more.

It seems a little bit strange to me that the National Harbours Board would not have an accurate name and, perhaps, address of a company that is doing this extent of volume business. It raises the question in my mind as to the accuracy of the rest of the names on that list of trucking companies.

I think there should be some steps taken to resolve this difficulty, because obviously we have got the wrong person.

The CHAIRMAN: I think Mr. Jones knows something about this.

The CLERK OF THE COMMITTEE: It is hearsay evidence, Mr. Chairman, from Mr. Beaudet. I raised the same point with Mr. Beaudet that Mr. Drysdale has just raised to the committee. I asked if we could be absolutely assured that he had no other record. Mr. Beaudet said that the way the ticket sales were made was not, in many cases, by cheque; but by a \$5 bill. He said that many companies bought a book of tickets by cash. He said that it was quite possible that the man who sold the tickets—and they were apparently sold for cash on the bridge, as well as by cheque to the headquarters of the National Harbours Board in Montreal—looked up and saw the name Bélanger Transport on a truck and wrote it down; then sent it in with a record of the number of the ticket book, and the money.

He thought that quite possibly, an explanation was that if it was not the registered company, *compagnie limitée*, perhaps, in compiling their records at the office they might have said, "Is it Bélanger Transport Cie Ltée?" Then they might have looked it up in the telephone book, found that there was a "*compagnie limitée*", and typed it so.

I said, "How sure can the committee be that these records generally are correct, as it would appear that it is not correct in this case?" He said, "I think it is extremely likely that that is how it occurred."

Mr. DRYSDALE: This stretches my credulity, Mr. Chairman, because the tickets are sold *en bloc*, a volume of \$100. There were 50 companies that were purchasing at least \$100 worth of tickets in a month. I would like to see provided from the National Harbours Board a supplementary list with the address and a breakdown as to how the payments were made—whether by cash or by cheque—and the amount of these transactions, so we could ascertain the situation with regard to these other companies.

The CHAIRMAN: You wish that in regard to the companies that are named on this page 756, is that right?

Mr. DRYSDALE: Yes, that is right. Because this has, I think, indicated a fairly serious situation. If the National Harbours Board is unable to ascertain the name of a trucking firm when they were purchasing over \$100-worth of tickets, then what is the situation when you get to an even smaller amount?

Mr. CHEVRIER: I think it should be said in fairness to the witness, Mr. Clément, that when he was asked a direct question by Mr. McPhillips:

Have you any figures to show when these truck companies purchased these tickets?—

Mr. DRYSDALE: What page are you reading from?

Mr. CHEVRIER: This is page 650 of proceedings No. 10.

—purchased these tickets? What would they aggregate in a month?

Mr. Clément replied:

I cannot answer that from memory, although I could find out. Let us say we had about 50 companies buying what we called "*sold en bloc*" tickets. There were about 50 companies buying them. I would say it amounted to maybe an average of \$100 a month for each company.

While that is a qualification to the first answer, surely it cannot be said this was an answer which was attributable to each company? He said, at the time, that he could not answer from memory, and I suppose the proper thing to have done would have been, at that time, to have asked him if he could have obtained the information, because much of the information that is being asked for now by Mr. Drysdale has already been given by Mr. Doyle and by Mr. Girard, in so far as the other two companies are concerned.

It is quite clear that this was a small operation, a family business, because this man says that he and his sons operated this trucking company; and it is quite clear that the evidence which he has given is probably exactly all the facts.

MR. DRYSDALE: There is no criticism of this gentleman, Mr. Bélanger, but I think it is obvious we have the wrong man. Mr. Clément said there were approximately 50 companies and he provided us with a detailed list of some 48 companies, and among them was, "Bélanger Transport Cie Ltée." Mr. McPhillips had asked the committee that this particular company—which was buying tickets *en bloc*, which totalled over \$100 a month—come before the committee.

From the information we have from the National Harbours Board and the best that Mr. Jones could do under the circumstances, we end up with a man with a small family company, with eight trucks.

MR. SMITH (*Simcoe North*): And he did not buy tickets *en bloc*!

MR. DRYSDALE: And he did not buy tickets *en bloc*. If there is this mistake in a list of some 48 companies which are supposed to be buying them *en bloc*—and this is just one—I am wondering how accurately the National Harbours Board know what is going on concerning the rest of the trucking business.

I do ask the chairman, although most of the names of the companies are fairly obvious, to get the names and addresses of the companies and, if possible, the volume of business they were doing monthly; whether they bought tickets *en bloc*, in lots of \$100; or whether they paid by cash or cheque.

This has only come up because we picked one company out at random, and now we find it is not doing what the list says it is doing. I realize Mr. Clément said "from memory", but he put this list in as an appendix, and I imagine he checked it.

MR. CHEVRIER: It may well have been an error on the part of Mr. Clément when he did submit the list, but I think you must remember, and keep in mind, that the National Harbours Board was asked to produce a lot of documents in a hurry, and it may well be the name of this company, unawares to Mr. Beaudet or Mr. Clément, was put on the list. If we have any doubt about any other companies let us call them all.

MR. DRYSDALE: It is not a case of calling them, but if there is one inaccuracy in the list, I want the list checked.

MR. DESCHATELETS: One exception does not prove the rule.

MR. CHEVRIER: One inaccuracy, surely, would not invalidate the whole list?

THE CHAIRMAN: I have a suggestion to make, and I suggest we send a copy of the transcript of this meeting, this part of it, to Mr. Beaudet and ask him if he can get us the answers on that.

MR. SMITH (*Simcoe-North*): Do you think we might have the interpreter make it clear to Mr. Bélanger that he is not involved in this?

MR. DRYSDALE: I stated that.

MR. SMITH (*Simcoe North*): Yes, but you stated it in English.

The CHAIRMAN: Before we go into this further—

Mr. SMITH (*Simcoe North*): Could we have that statement made to Mr. Bélanger, by the interpreter, because I do not want him to think that he is involved in all this—

Mr. DRYSDALE: —“interesting discussion”?

Mr. SMITH (*Simcoe North*): —by Mr. Deschatelets and the others.
—The translator spoke in French to the witness.

The CHAIRMAN: If there are no more questions of Mr. Bélanger, we will let him go and then we can discuss this other matter. Is that all right?

Agreed to.

The CHAIRMAN: Now, Mr. Drysdale, would that be satisfactory, if we sent Mr. Beaudet a copy of the transcript of this part of the meeting and asked him for his comments and for any information he can give us on it? Do you want Mr. Beaudet to appear here, before the committee, again?

Mr. DRYSDALE: I do not think that is necessary. If he could provide the information I asked for and send it to you, as chairman—

The CHAIRMAN: He could send it to the Clerk of the Committee.

Mr. DRYSDALE: I would be glad to see it before our next meeting, to know whether or not anything further should be done.

Mr. McPHILLIPS: Mr. Chairman, there is one point that has been overlooked here. I think it is a serious one, and it has come out in the statement made by Mr. Jones, that this is no mistake. If the Harbours Board had receded from its position that this Belanger Transport Company had bought tickets, I could understand it; but they would not recede, and gave facts and figures for two months.

Mr. DESCHATELETS: Make them explain.

Mr. McPHILLIPS: They gave facts and figures, and said this outfit bought tickets in July and August, 1959. They did not recede from their position, but approbated it again. I think a letter from Mr. Beaudet would not satisfy me. I think it is serious enough that they should come down and tell us themselves.

Mr. DESCHATELETS: I think we should wait for explanations from Mr. Beaudet, and then if they are not satisfactory, we can review it.

Mr. CHEVRIER: Certainly.

Mr. McPHILLIPS: He has given his explanation already to Mr. Jones.

Mr. DRYSDALE: In view of the point Mr. McPhillips has raised, I would request that Mr. Beaudet or Mr. Clément be recalled before the committee to explain the discrepancies. Do you second that, Mr. McPhillips?

Mr. McPHILLIPS: I will.

The CHAIRMAN: It will take some few days to have the proceedings of this meeting printed, owing to the fact that there is information to be obtained from the Harbours Board and Steinberg's on this matter. Will you leave the next meeting to the call of the Chair? Is that satisfactory?

Mr. DRYSDALE: On that one point, there are two very simple points involved. There is the statement at page 650 by Mr. Clément, and there is Appendix “H”, page 756, setting forth Bélanger Transport Cie Ltée, which was called today, which was obviously the wrong firm. I think that is all the information Mr. Beaudet or Mr. Clément would require—and also to be prepared to explain about these other companies—any of these other companies at page 756. I do not think it is necessary to obtain a transcript.

The CHAIRMAN: We could send the transcript of this meeting to Mr. Beaudet, so that he will be familiar with the points raised.

Mr. DRYSDALE: These are the points, quite simply, and I would suggest to yourself, or the Clerk, that you could indicate quite simply what the problem is. All we want to know is: are these firms at page 756 in existence, and what business have they done with the National Harbours Board. That is simple; a telephone call would do it.

The CHAIRMAN: No; I do not think a telephone call would do it.

Mr. DRYSDALE: In order to get him down to explain; that is all.

The CHAIRMAN: But there is this other information that we have to have for the appendix of today's meeting. Mr. Doyle said it would take some few days to provide that information.

Mr. DRYSDALE: None of this other stuff is relevant.

I raised this one point on the conflict of evidence. All we want is to call Mr. Beaudet or Mr. Clément to resolve the conflict.

The CHAIRMAN: When do you want him, Tuesday?

Mr. DRYSDALE: Tuesday.

Mr. CHEVRIER: Are we going to act like a bunch of school children in this committee? The chairman has made a reasonable suggestion—that the transcript of evidence be sent to Mr. Beaudet, and that he be asked for an explanation. Mr. Deschatelets has added that if the explanation is not satisfactory we can call him back. Are we going to argue this for another fifteen minutes? It seems to me the suggestion of the chairman is a good one.

Mr. DRYSDALE: As one of the school children—

Mr. CHEVRIER: Well, you are acting like one.

Mr. DRYSDALE: Mr. Chevrier, I am quite interested in eventually bringing this committee to a conclusion, and I think it is important that we proceed.

I raised this particular point, and I feel it is a relatively simple matter for Mr. Beaudet or Mr. Clément to obtain this information, without having a transcript of the whole proceedings. And, in order to speed it up, if we cannot get the transcript before next Tuesday, I suggest that Mr. Beaudet or Mr. Clément be called.

The CHAIRMAN: The transcript of today's meeting will be all in shape some time this evening—the typewritten copy.

Mr. SMITH (*Simcoe North*): Could not the excerpts be sent to Mr. Beaudet?

The CHAIRMAN: That is my idea—that the part dealing with what you want be sent to Mr. Beaudet, so he has the full details—everything that has gone on; and he will know then exactly what is wanted.

Mr. DRYSDALE: All I want him to do is to come next Tuesday; I do not care how he gets the information.

The CHAIRMAN: I think the only way he will know what is wanted is by sending a copy of the transcript—

Mr. DRYSDALE: Send him a copy.

The CHAIRMAN: —of today's meeting—the latter part, dealing with this.

Mr. SMITH (*Simcoe North*): Is my request for the up-to-date revenue figures being taken care of?

Mr. FISHER: Which one, the Victoria bridge?

Mr. SMITH (*Simcoe North*): The Jacques Cartier bridge.

Mr. FISHER: Appendix "A" of the second last proceedings.

The CHAIRMAN: Have you a question, Mr. Fisher?

Mr. FISHER: Mr. Chairman, I wondered if I could make a request to have Mr. Beaudet and Mr. Archer back, very briefly, at our next meeting, or at one of the meetings before we close?

Mr. DRYSDALE: That is what I am requesting.

Mr. FISHER: But I want to specify why.

I want to go into the evidence—it is confusing to me, on re-reading it—in relation to the dealings that Mr. Beaudet and Mr. Archer had with the Royal Canadian Mounted Police in the period from 1956 to the middle of 1959.

I thought I would put it on the record, so they would know what it is I wanted.

The CHAIRMAN: You want to have the two of them here on Tuesday?

Mr. FISHER: Yes.

The CHAIRMAN: Now, gentlemen, we have had quite an argument on this. Are you satisfied?

Mr. McPHILLIPS: No. I want to say this, Mr. Chairman. I am not averse to Mr. Beaudet being given a typewritten copy, but not on the basis that he is going to make an answer from Montreal—only on the basis that he is coming here.

The CHAIRMAN: That is the understanding.

Mr. McPHILLIPS: This is no school-boy business. The attitude of the courts, when they are put in motion wrongly, is very severe. We have been put in motion wrongly. We have subpoenaed a witness on the evidence of the officers of the National Harbours Board, and it is beginning to look as if their information is wrong, or somebody is lying; and I think this committee has every right to have the evidence given here.

Mr. CHEVRIER: This is not a court; it is a parliamentary committee, and the proceedings are different.

Mr. DRYSDALE: Well, we are still entitled to the truth, even if we are a parliamentary committee.

The CHAIRMAN: There is a motion before the committee. It has been moved by Mr. Drysdale and seconded by Mr. McPhillips that Mr. Beaudet and Mr. Clément appear on Tuesday next.

Mr. HORNER (*Acadia*): Is that Mr. Beaudet, alone?

Mr. DRYSDALE: Mr. Beaudet or Mr. Clément, or whoever else is necessary to provide the information.

Mr. HORNER (*Acadia*): Mr. Fisher suggested Mr. Archer too.

Mr. DRYSDALE: I will put Mr. Archer in my motion and, if I can modify it—whoever that would be—the person who would have the information we requested.

The CHAIRMAN: Then the motion would have to read—Mr. Beaudet or Mr. Clément, whoever can give the information asked for.

Mr. DRYSDALE: Yes.

The CHAIRMAN: And, also Mr. Archer—

Mr. DRYSDALE: Yes.

The CHAIRMAN: —chairman of the harbours board, on Tuesday next. The meeting will be at 9.30.

You have heard the motion, gentlemen. All those in favour of the motion, kindly indicate. It is unanimous, I believe. No contraries? Everybody for? It is unanimous; the motion is carried.

Now, gentlemen—

Mr. MONTEITH (*Verdun*): Mr. Chairman, I see by the newspaper this morning, that the charges have been dropped against the toll collectors.

The CHAIRMAN: No.

Mr. MONTEITH (*Verdun*): It is right in the paper.

The CHAIRMAN: But if you read that, you will see that only certain charges have been dropped. Read the first line of it.

Mr. DRYSDALE: What paper, and what page?

Mr. MONTEITH (*Verdun*): New charges?

The CHAIRMAN: If you read the first line, you will see that what they are charged with is being dropped. The judge has dismissed that.

Mr. MONTEITH (*Verdun*): They have not laid new charges.

The CHAIRMAN: If you read further on, you will see other charges are being laid under the other section of the Criminal Code which covers civil servants—and I believe the code number is 336.

Mr. MONTEITH (*Verdun*): All right.

The CHAIRMAN: New, gentlemen, it has been moved by Mr. Fisher and seconded by Mr. Chevrier that we adjourn.

The next meeting will be on Tuesday, at 9.30, if we can get Mr. Beaudet and Mr. Archer.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANAL ET LIGNES TÉLÉGRAPHIQUES

(Page 1195)

M. PIGEON: Monsieur Doyle, depuis combien d'années êtes-vous à l'emploi de la maison Steinberg?

* * * *

M. PIGEON: Je crois, monsieur le président, qu'il est très important que nous interroguions également d'autres témoins de la maison Steinberg, parce que M. Doyle est à l'emploi de cette maison depuis seulement 15 mois.

* * * *

M. PIGEON: Avant de comparaître ici, au comité, avez-vous reçu des directives de quelqu'un de la maison Steinberg?

* * * *

M. PIGEON: Mais, est-ce que l'on vous a dit comment procéder au comité?

* * * *

M. PIGEON: Est-ce que quelqu'un du comité, un membre du Parlement aurait communiqué avec vous par téléphone, ou vous aurait rencontré?

* * * *

M. PIGEON: Est-ce que quelqu'un, un membre de ce comité... Est-ce que vous auriez entendu parler qu'un membre de ce comité aurait communiqué avec quelqu'un de la maison Steinberg autre que vous?

* * * *

M. PIGEON: Depuis que vous avez des magasins en dehors de Montréal, combien de camions traversent le pont Jacques-Cartier, aller et retour?

* * * *

M. PIGEON: Dans vos camions, est-ce qu'en plus du chauffeur, il y a un aide?

(Page 1196)

M. PIGEON: Vous avez les "figures" depuis 1950, ou 1955?

* * * *

M. PIGEON: Est-ce que nous pouvons avoir ces chiffres?

* * * *

M. PIGEON: Est-ce que vous avez entendu parler que des chauffeurs, à l'emploi de votre compagnie, avaient constaté qu'il y avait des irrégularités concernant la perception du péage?

* * * *

M. PIGEON: Je comprends que vous êtes à l'emploi de la maison Steinberg depuis 15 mois seulement, mais est-ce que les coupons étaient achetés une fois par mois ou à tous les jours; est-ce que c'était le conducteur du camion qui les achetait?

(Page 1197)

M. PIGEON: Vous avez également un magasin à Arvida depuis 20 ans à peu près, et un autre à Québec depuis 1954. Est-ce que, pour approvisionner ces magasins, les camions empruntent la route n° 9, c'est-à-dire la route passant sur le pont Jacques-Cartier?

* * * *

M. PIGEON: C'est bien important de savoir cela? Parce que vous avez dit également, tout à l'heure, que depuis 1956, qu'avant 1956, si j'ai bien compris, vous n'aviez pas de magasin en dehors de la région métropolitaine, de Montréal. Et vous en avez un depuis 20 ans à Arvida!

* * * *

M. PIGEON: Également, vous avez donné tout à l'heure, le nombre de voyages par semaine depuis 1955. Est-ce qu'on pourrait avoir également le coût, combien cela a coûté *grosso modo*, comme vous l'avez ici?

* * * *

M. PIGEON: J'aurais aimé vous poser d'autres questions, mais comme vous n'êtes à l'emploi de la compagnie que depuis 15 mois et que vous ne pouvez répondre aux questions, alors je crois que je n'en poserai pas.

* * * *

M. PIGEON: Est-ce que la maison Steinberg constate, avec le nouveau système de perception, que c'est plus avantageux pour la maison Steinberg, que ça prend moins de temps, que vous "sauvez" du temps et même de l'argent?

(Page 1198)

M. PIGEON: En ce qui vous concerne, cela se comprend, car vous n'êtes à l'emploi de la compagnie que depuis 15 mois.

* * * *

M. PIGEON: Monsieur le président, je remarque également,—avant de poser ma dernière question,—que l'honorable député de Laurier (M. Lionel Chevrier) semble apporter un intérêt tout particulier et semble suivre de près les réponses données par M. Doyle.

* * * *

M. PIGEON: Je crois que c'est cette question-ci: Avec le nouveau système de perception automatique, est-ce que la maison Steinberg constate qu'elle "sauve" du temps, c'est-à-dire que les camions prennent moins de temps et "sauvent" de l'argent également?

* * * *

M. PIGEON: Est-ce que nous pourrions avoir le nom des chauffeurs et des aides sur les camions depuis 1948?

(Page 1199)

M. PIGEON: Je voulais savoir si, au cas où un de vos chauffeurs aurait pu avoir une promotion, s'il avait trouvé plus intéressant d'être péager,—des fois cela se produit qu'un chauffeur, voyant l'intérêt qu'il y avait, aurait pu "faire application" pour être péager?

(Page 1209)

M. PIGEON: Monsieur Girard, la compagnie Miron et Frères a participé aux travaux de canalisation du Saint-Laurent?

M. GIRARD: Oui.

M. PIGEON: Est-ce que vous aviez un privilège spécial, est-ce que vous payiez quand même?

M. GIRARD: On payait la même chose.

* * * *

M. PIGEON: Est-ce que, durant la période pendant laquelle vous avez participé à ces travaux, il y a moyen de savoir le nombre de camions ou de machinerie qui ont passé sur le pont?

* * * *

M. GIRARD: Comme je l'ai dit, tout à l'heure, je ne l'ai pas en nombre de camions, mais je sais que durant l'année 1957, qui était l'année pendant laquelle on a transporté la pierre, on a payé "\$4,000 de pont", comparativement aux autres années où l'on payait entre \$11,000 et \$12,000.

M. PIGEON: Avez-vous le nombre de camions?

M. GIRARD: Je ne pourrais pas dire, c'est tellement considérable.

M. PIGEON: Est-ce que vous avez entendu parler qu'il y a eu des irrégularités commises au pont Jacques-Cartier?

M. GIRARD: Comme la population de Montréal, dans les journaux.

M. PIGEON: Vous n'avez jamais, auparavant, entendu parler de quoi que ce soit?

M. GIRARD: Non.

M. PIGEON: Les chauffeurs de camions n'ont jamais attiré votre attention, vous n'avez jamais entendu parler que certains chauffeurs ne payaient pas?

(Page 1210)

M. GIRARD: Nos chauffeurs, on les avait organisés de façon à ce qu'ils ne pouvaient pas, de toute façon, faire quoi que ce soit, parce qu'ils marchaient toujours avec nos billets, ils n'étaient pas sujets à avoir des répercussions de toute façon.

M. PIGEON: Est-ce qu'il y a quelqu'un, un membre du comité, ici, qui a communiqué avec vous, ou un membre de la "firme" *Miron et Frères*, concernant la présente enquête?

M. GIRARD: J'ai été appelé par M. Jones, qui m'a dit qu'il m'enverrait un papier pour venir ici témoigner.

M. PIGEON: Merci.

* * * *

M. Le PRÉSIDENT (*Interprétation*): Vous ne vous opposez pas à être assermenté?

M. BÉLANGER: Non.

M. McPHILLIPS (*Interprétation*): S'il-vous-plait, nous donner votre nom au complet?

M. BÉLANGER: Albio Bélanger, de *Bélanger Transport Limitée*.

M. McPHILLIPS (*Interprétation*): Où se trouve le siège social de votre compagnie?

M. BÉLANGER: À Saint-Jean-Port-Joli.

M. Le PRÉSIDENT (*Interprétation*): Pourriez-vous parler assez fort en français, afin que le sténographe vous comprenne ainsi que les autres, parce qu'il faut prendre ce que vous dites textuellement.

M. BÉLANGER: Oui.

M. McPHILLIPS (*Interprétation*): Est-ce que votre compagnie est une compagnie de camionnage qui loue des camions?

M. BÉLANGER: Non.

M. McPHILLIPS (*Interprétation*): Sur quelle base, dans ce cas-là, "opérez"-vous ou exploitez-vous vos camions?

M. BÉLANGER: De Saint-Jean-Port-Joli à Montréal et de Montréal à Saint-Jean-Port-Joli; de Québec à Saint-Jean-Port-Joli, et de Saint-Jean-Port-Joli à Québec.

M. McPHILLIPS (*Interprétation*): Quel genre d'exploitation faites-vous?

M. BÉLANGER: De la marchandise en général, pour les gens, toutes sortes de marchandises.

M. McPHILLIPS (*Interprétation*): C'est-à-dire que vous transportez des marchandises, on vous paie un loyer ou des revenus pour le transport de ces marchandises

M. BÉLANGER: Oui.

M. McPHILLIPS (*Interprétation*): L'endroit que vous avez désigné comme siège social de votre compagnie, se trouve sur la rive sud du Saint-Laurent, n'est-ce-pas?

M. BÉLANGER: Oui.

M. McPHILLIPS (*Interprétation*): Combien de véhicules possédez-vous dans votre compagnie?

M. BÉLANGER: Huit.

M. McPHILLIPS (*Interprétation*): De quelle capacité sont-ils?

M. BÉLANGER: De six tonnes à une demi-tonne.

(Page 1211)

M. McPHILLIPS (*Interprétation*): Est-ce que vous empruntez le pont Jacques-Cartier dans vos exploitations?

M. BÉLANGER: Oui.

M. McPHILLIPS (*Interprétation*): À quel degré vous servez-vous du pont Jacques-Cartier?

M. BÉLANGER: Avec de l'argent, pas de billets.

L'INTERPRÈTE: Non. Il vous demande combien de fois; beaucoup ou pas beaucoup

M. BÉLANGER: En général, trois fois par semaine.

M. McPHILLIPS (*Interprétation*): Quelle est la façon d'acquitter le péage du pont?

M. BÉLANGER: En argent, je parie toujours en argent.

M. McPHILLIPS (*Interprétation*): Est-il vrai qu'au mois d'août 1959, vous avez acheté des billets du Conseil des ports nationaux?

M. BÉLANGER: Non, non, je n'ai jamais acheté de billets. Toujours en argent.

M. McPHILLIPS (*Interprétation*): Existe-t-il une autre compagnie de camionnage qui porterait le même nom que la vôtre?

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M. BÉLANGER: Pas par chez nous, il peut y en avoir ailleurs, mais pas par chez nous.

M. McPHILLIPS (*Interprétation*): En toute justice, on devrait vous dire qu'un membre du Conseil des ports nationaux, lors de nos séances, a témoigné que la compagnie *Miron et Frères* avait acheté. . .

M. CHEVRIER (*Interprétation*): Non, de Bélanger Transport.

M. McPHILLIPS (*Interprétation*): Non, pardon, mais que Bélanger Transport avait acheté des billets du Conseil des ports nationaux; qu'est-ce que vous avez à dire là-dessus?

M. BÉLANGER: Ce que j'ai à dire, je n'en ai jamais acheté. J'ai toujours payé comptant, en m'en allant et en revenant. Jamais.

M. McPHILLIPS (*Interprétation*): Quelle était la dépense mensuelle, le montant que vous avez dépensé par mois pour le pont Jacques-Cartier?

M. BÉLANGER: Je n'ai pas cela ici; en général nous passions trois fois par semaine.

M. McPHILLIPS (*Interprétation*): De quelle méthode vous serviez-vous? Donniez-vous de l'argent d'avance à vos chauffeurs ou est-ce que vous les remboursiez à leur retour?

M. BÉLANGER: En général, ce sont mes garçons qui font cela. Je leur donne l'argent avant de partir et ils me remboursent la différence quand ils reviennent.

M. McPHILLIPS (*Interprétation*): Est-ce que vos chauffeurs vous ont rapporté des reçus pour prouver la dépense faite?

M. BÉLANGER: Quand ils donnaient des billets, là, en premier, avant le système automatique, ils apportaient un petit billet; mais, depuis le système, ils n'en apportent pas.

M. McPHILLIPS (*Interprétation*): Vous avez dit que vous aviez huit camions?

M. BÉLANGER: Oui.

M. McPHILLIPS (*Interprétation*): Est-ce que vous avez toujours eu ce nombre, ou est-ce que vous en avez eu plus ou moins depuis quelque temps?

M. BÉLANGER: Depuis l'année passée, j'en ai acheté deux de surplus; seulement ils ne viennent pas tous les huit à Montréal. Il y en a seulement deux qui viennent à Montréal.

M. McPHILLIPS (*Interprétation*): Par le passé, avez-vous loué des camions à bail, pour votre exploitation?

M. BÉLANGER: Non, je n'ai jamais loué de camion, jamais.

M. ASSELIN: Monsieur Bélanger, vous avez dit que vous passiez environ trois fois par semaine sur le pont Jacques-Cartier; et vous avez dit également que vous donniez à l'avance l'argent à vos camionneurs pour payer les frais de transport du pont. Quel était le montant que vous donniez à vos conducteurs pour passer sur le pont Jacques-Cartier?

M. BÉLANGER: Je leur donnais \$3, aller et retour; \$1.50 pour aller et \$1.50 pour revenir.

(Page 1212)

M. ASSELIN: Et toutes les fois que vous donniez cette somme d'argent, est-ce que l'on vous rapportait toujours au reçu?

M. BÉLANGER: Oui, ils me rapportaient les petits billets.

M. ASSELIN: Ils vous rapportaient les petits billets? Monsieur Bélanger, est-ce que vous avez eu l'occasion, vous-même, personnellement, de conduire un de vos camions et franchir le pont Jacques-Cartier?

M. BÉLANGER: Oui.

M. ASSELIN: Est-ce que cela est arrivé plusieurs fois au cours des cinq dernières années?

M. BÉLANGER: Oh! Ça fait un an que je ne suis pas passé sur le pont. J'ai toujours envoyé mes hommes sur le pont, ce sont mes garçons qui y vont.

M. ASSELIN: Mais je parle de vous personnellement; combien de fois dans cinq ans, à peu près, avez-vous traversé sur le pont?

M. BÉLANGER: L'année passée, j'ai passé quatre fois, au printemps.

M. ASSELIN: Avant l'installation des machines automatiques, est-ce que vous aviez l'habitude également d'aller souvent à Montréal et de passer sur le pont Jacques-Cartier?

(Page 1212)

M. BÉLANGER: Je peux avoir passé trois ou quatre fois par année, c'est le plus que j'ai passé; ça fait un an, là, que je n'ai pas passé.

M. ASSELIN: Est-ce que vous, personnellement, lorsque vous traversiez le pont Jacques-Cartier, vous payiez en argent?

M. BÉLANGER: Oui.

M. ASSELIN: Voulez-vous dire de quelle façon se faisait la transaction entre celui qui "collectait" l'argent et vous-même?

M. BÉLANGER: Bien, je donnais \$2, quand j'avais \$2, ils me remettaient 50c. et puis ils me redonnaient un petit billet.

M. ASSELIN: Et l'on vous a toujours remis un billet?

M. BÉLANGER: Oui.

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M. BALDWIN (*Interprétation*): Monsieur Bélanger, avez-vous donné à vos chauffeurs des instructions nettes et précises de vous remettre le billet à leur retour?

M. BÉLANGER: Ah! Oui. Ils me le remettaient à chaque fois qu'ils revenaient.

M. BALDWIN (*Interprétation*): Mais, vous avez bien donné des instructions à vos camionneurs de vous rapporter le billet, pour prouver qu'ils avaient franchi le pont?

M. BÉLANGER: Oui.

M. BALDWIN (*Interprétation*): Est-ce que ces instructions ont été données en partie parce que vous aviez entendu des rumeurs au sujet d'irrégularités?

M. BÉLANGER: Non. C'est parce que je veux payer ce que ça vaut, et je n'ai jamais eu de rumeurs pour ça.

M. DENIS: Monsieur Bélanger, vous avez déclaré tantôt que vous payiez \$3 chaque voyage, aller et retour, pour traverser le pont?

M. BÉLANGER: Oui.

M. DENIS: Depuis l'installation du système automatique...

M. CHEVRIER: Est-ce qu'il a répondu?

M. PIGEON: Oui.

M. DENIS: Combien payez-vous maintenant, depuis l'installation du système automatique?

M. BÉLANGER: \$1.50. C'est toujours \$1.50, c'est toujours le même prix.

M. ASSELIN: Est-ce que, de temps en temps, il vous arrivait de payer plus cher, étant donné la pesanteur du camion qui traversait le pont?

M. BÉLANGER: Pour moi, il n'a jamais été question de pesanteur, ça toujours été \$1.50 et \$1.75 pour le double.

(Page 1213)

M. ASSELIN: Monsieur Bélanger, est-ce que vos camions vont à Montréal et traversent le pont à des heures fixes?

M. BÉLANGER: Non.

M. PIGEON: Monsieur Bélanger, dans votre expérience, est-ce que vous trouvez que l'installation du système automatique...

M. DENIS: Oh!...

M. PIGEON: ...entraînera ou produira moins d'irrégularités?

M. ASSELIN: On ne peut pas lui demander si d'après lui il peut dire cela.

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M. DESCHATELETS: Monsieur le président, on ne peut s'attendre à aucune autre réponse du témoin, sauf à ce qu'il dise qu'il ne connaît pas ça. On ne peut pas s'attendre à aucune autre réponse du témoin.

M. PIGEON: Je crois, monsieur le président, que l'honorable député de Maisonneuve-Rosemont (M. Deschatelets) n'a pas saisi le sens de ma question.

M. DESCHATELETS: J'ai très bien saisi.

M. PIGEON: Oui. Je dis ceci que M. Bélanger possède des camions depuis plusieurs années, et ces camions ont traversé le pont Jacques-Cartier durant le système de péage et depuis l'inauguration du système actuel de perception.

M. BÉLANGER: Oui.

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M. PIGEON: Je veux savoir de vous, selon votre expérience, si vous trouvez que le système de perception automatique entraîne, toujours d'après votre expérience, moins d'irrégularités?

M. DENIS: De plus, les membres du comité passent pour des fous.

M. DESCHATELETS: Monsieur le président, sur le même rappel au Règlement, encore une fois je soumets que la même question de l'honorable député de Joliette-L'Assomption...

M. PIGEON: C'est la même.

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M. DESCHATELETS: ...est encore plus irrégulière que l'autre. Et la seule réponse que le témoin peut donner, c'est qu'il ne connaît pas ça.

M. PIGEON: Monsieur le président, je ne voudrais pas que l'opposition applique le baillon. Je suis toujours surpris de voir les honorables députés ici, à ma droite, ...

(Page 1214)

M. PIGEON: Je voulais tout simplement savoir, d'après l'expérience que M. Bélanger possède et également les conversations qu'il a eues avec ses camionneurs, ses chauffeurs, si le système de perception automatique est supérieur, dans l'intérêt public, à l'ancien système de péage?

M. BÉLANGER: Bien, je vais vous dire. D'après moi, seulement que les hommes ont l'air à trouver...

M. DENIS: Voulez-vous parler plus fort, s'il-vous-plaît?

M. BÉLANGER: Moi, je passe seulement de temps en temps, c'est très raisonnable.

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M. PIGEON: Vous trouvez cela préférable?

M. BÉLANGER: Je ne peux pas dire autrement, pour moi c'est préférable; moi-même je ne voyage pas souvent sur le pont.

M. PIGEON: Mais vos employés, est-ce qu'ils trouvent que cela est préférable?

M. BÉLANGER: Je ne le leur ai pas demandé. Ils ont l'air de trouver cela.

M. PIGEON: Est-ce qu'ils trouvent qu'il est supérieur à l'ancien?

M. BÉLANGER: Bien, moi, je ne traverse presque pas... une fois de temps en temps.

M. PIGEON: Mais vous-même?

M. BÉLANGER: Moi, c'est entendu que je payais pareil avant, mais seulement, là, il y a un meilleur système, c'est entendu.

M. PIGEON: Un meilleur système?

M. BÉLANGER: Oui.

(Page 1218)

M. H. E. SMITH (*Simcoe-North*) (*Interprétation*): On veut que je vous assure que dans toute cette discussion, qui a eu lieu ce matin et depuis que l'on vous a posé la dernière question, ce n'était pas vous qui étiez en cause. La discussion était sur d'autres sujets, et non pas à votre sujet.

M. DRYSDALE: C'est une question de privilège.

APPENDIX "A"

STEINBERG'S LIMITED

TICKET PURCHASES (By CHEQUE)—1955 to 1959

JACQUES CARTIER BRIDGE—NATIONAL HARBOURS BOARD

Cheques			Tickets		Denomination of Tickets					
Date		Number	Amount	\$3.20	\$3.00	\$1.60	\$1.20	\$0.60	\$0.90	\$0.70
\$										
1955	October to December	4546 3363 4723	104.00 104.00 104.00	DETAILS NOT READILY AVAILABLE						
			312.00							
1956	N I L									
1957	April 12.....	2411	256.00	50			80			
	April 30.....	3753	192.00	60						
	May 16.....	3085	96.00					160		
	May 24.....	3772	195.00	60	1					
	June 13.....	2952	288.00	60				160		
	July 8.....	2514	192.00			120				
	July 30.....	2018	444.00			240		100		
	Sept. 9.....	3095	384.00			240				
	Sept. 12.....	3555	60.00					100		
	Oct. 10.....	3687	444.00			240		100		
	Nov. 11.....	4101	387.00		1	240				
	Dec. 10.....	4167	60.00					100		
	Dec. 20.....	2604	384.00			240				
			3,382.00	230	2	1,320	80	720		
1958	Jan. 10.....	5847	60.00					100		
	Jan. 27.....	3307	384.00			240				
	Feb. 19.....	3195	60.00					100		
	March 10.....	2033	384.00			240				
	March 20.....	3266	60.00					100		
	April 2.....	4566	384.00			240				
	April 22.....	3780	444.00			240		100		
	May 15.....	3226	444.00			240		100		
	June 16.....	3506	444.00			240		100		
	July 9.....	3027	444.00					100	240	240
	Aug. 6.....	3169	444.00					100	240	240
	Aug. 25.....	2155	444.00					100	240	240
	Sept. 17.....	4596	444.00					100	240	240
	Oct. 6.....	3705	444.00					100	240	240
	Oct. 20.....	2004	444.00					100	240	240
	Nov. 13.....	4830	377.00						240	230
	Dec. 3.....	3950	444.00					100	240	240
	Dec. 22.....	2849	444.00					100	240	240
			6,593.00		1,440		1,400	2,160	2,150	
1959	Jan. 20.....	3341	384.00						240	240
	Feb. 10.....	2628	444.00					100	240	240
	Feb. 27.....	4825	444.00					100	240	240
	March 18.....	3611	384.00						240	240
	April 10.....	Refund	179.10 Cr.)	NO DETAILS AVAILABLE						
	May 1.....	Refund	93.00 (Cr.)							
			1,383.90					200	960	960

25 May 1960

APPENDIX "B"

STEINBERG'S LIMITED

Bridge Toll Costs

Source of information

Ticket costs—1957, 1958, 1959.

Per record of tickets issued—maintained by Transportation Department.

Cash Costs—1956, 1957, 1958, 1959, Jan./Mar. 1960.

Per petty cash records—maintained by accounting dept.

1956

Week ended	Return Trips	Weekly Costs	
		Tickets	Cash
			Total
Jan. 1 to 31	Tickets used—no records available		
Feb. 1 to 4	4	10.40	10.40
11	7	17.60	17.60
18	7	18.20	18.20
25	9	24.60	24.60
Mar. 3	7	20.60	20.60
10	5	14.80	14.80
17	7	20.00	20.00
24	11	31.00	31.00
31	8	23.20	23.20
Apr. 7	11	30.40	30.40
14	12	36.60	36.60
21	13	40.40	40.40
28	18	55.20	55.20
May 5	17	51.40	51.40
12	6	16.00	16.00
19	10	31.40	31.40
26	8	25.00	25.00
June 2	8	25.60	25.60
9	7	22.40	22.40
16	8	24.60	24.60
23	10	26.60	26.60
30	10	27.80	27.80
July 7	9	24.60	24.60
14	10	31.40	31.40
21	10	31.40	31.40
28	10	32.00	32.00
Aug. 4	10	31.40	31.40
11	9	23.40	23.40
18	7	18.80	18.80
25	10	27.20	27.20
Sept. 1	13	35.60	35.60
8	8	25.60	25.60
15	10	30.70	30.70
22	9	28.80	28.80
29	9	27.80	27.80

STANDING COMMITTEE

1956 (Concluded)

Week ended		Return Trips	Weekly Costs		
			Tickets	Cash	Total
Oct.	6	9		26.40	26.40
	13	8		21.40	21.40
	20	10		27.20	27.20
	27	12		35.40	35.40
Nov.	3	8		24.40	24.40
	10	11		34.60	34.60
	17	10		31.40	31.40
	24	10		31.40	31.40
Dec.	1	11		34.60	34.60
	8	9		28.20	28.20
	15	15		45.60	45.60
	22	11		35.20	35.20
	29	9		26.40	26.40
	30 to 31	1		3.20	3.20
		461		1,367.90	1,367.90

1957

Jan.	1 to 7	5		14.20	14.20
	8 to 12	8		27.40	27.40
	19	8		28.00	28.00
	26	13		39.20	39.20
Feb.	2	9		29.40	29.40
	9	11		33.40	33.40
	16	13		41.00	41.00
	23	9		28.20	28.20
Mar.	2	9		28.80	28.80
	9	8		25.70	25.70
	16	12		40.80	40.80
	23	12		39.60	39.60
	30	12		39.60	39.60
Apr.	1	19		56.00	56.00
	13	15	28.00	15.40	43.40
	20	61	115.00	26.80	141.80
	27	54	68.00	41.30	109.30
May	4	46	68.40	41.60	110.00
	11	36	68.40	28.20	96.60
	18	44	63.70	36.80	100.50
	25	38	62.70	33.10	95.80
June	1	41	65.20	37.80	103.00
	8	38	69.20	39.40	108.60
	15	41	65.20	40.00	105.20
	22	69	108.40	34.00	142.40
	29	24	54.00	12.20	66.20
July	6	30	60.00	29.60	89.60
	13	36	77.20	26.20	103.40
	20	33	65.60	29.00	94.60
	27	49	80.80	31.40	112.20

1957 (Concluded)

Week ended		Return	Weekly Costs		
		Trips	Tickets	Cash	Total
Aug.	3	54	113.60	31.20	144.80
	10	34	80.00	28.20	108.20
	17	37	68.80	26.20	95.00
	24	55	92.80	52.20	145.00
	31	50	87.60	52.20	139.80
Sept.	7	36	68.40	31.20	99.60
	14	57	101.50	31.20	132.70
	21	51	134.40	31.20	165.60
	28	53	95.20	25.20	120.40
Oct.	5	35	72.00	35.60	107.60
	12	34	66.80	35.00	101.80
	19	46	91.60	33.60	124.80
	26	44	88.40	24.20	112.60
Nov.	2	41	98.10	21.80	119.90
	9	57	91.20	58.00	149.60
	16	47	74.00	69.00	143.00
	23	49	85.20	41.60	126.80
	30	52	92.00	57.40	149.40
Dec.	7	43	76.20	43.60	119.80
	14	52	90.00	55.60	145.60
	21	57	100.80	42.20	143.00
	28	40	74.40	42.20	116.60
	29 to 31	14	26.00	10.70	36.70
		1,841	\$3,088.80	\$1,853.40	\$4,942.20

1958

Jan.	1 to 4	26	34.40	38.60	73.00
	11	41	78.00	37.00	115.00
	18	62	96.40	57.40	153.80
	25	45	82.40	49.90	132.30
Feb.	1	48	80.00	60.40	140.40
	8	47	74.40	62.75	137.15
	15	54	85.20	69.80	155.00
	22	48	68.40	70.00	138.40
Mar.	1	49	80.80	69.30	150.10
	8	53	89.20	71.10	160.30
	15	54	108.50	64.40	172.90
	22	98	165.20	92.75	257.95
	29	67	119.20	81.80	201.00
Apr.	5	75	115.20	82.70	197.90
	12	58	100.40	72.30	172.70
	19	98	172.80	70.45	243.25
	26	84	156.20	83.95	240.15
May	3	57	93.60	66.00	159.60
	10	60	104.00	62.80	166.80
	17	93	163.20	65.85	229.05
	24	72	135.20	64.80	200.00
	31	61	108.80	62.50	171.30

STANDING COMMITTEE

1958 (Concluded)

Week ended		Return	Weekly Costs		
		Trips	Tickets	Cash	Total
June	7	71	118.30	80.50	198.80
	14	69	108.80	82.60	191.40
	21	63	103.60	82.50	186.10
	28	69	110.80	75.90	186.70
July	5	55	101.60	61.50	163.10
	12	63	108.80	73.10	181.90
	19	73	118.80	71.60	190.40
	26	70	119.00	88.90	207.90
Aug.	2	70	126.00	67.00	193.00
	9	57	89.80	80.20	170.00
	16	61	115.60	66.00	181.60
	23	97	171.90	74.85	246.75
Sept.	30	80	146.30	69.90	216.20
	6	77	177.60	63.80	241.40
	13	99	202.80	58.40	261.20
	20	61	109.60	62.50	172.10
Oct.	27	89	161.10	77.30	238.40
	4	99	205.60	71.60	277.20
	11	87	154.20	84.00	238.20
	18	84	176.40	72.30	248.70
Nov.	25	70	134.20	74.30	208.50
	1	75	151.40	52.40	203.80
	8	74	147.00	73.10	220.10
	15	72	137.20	74.30	211.50
Dec.	22	91	191.90	64.90	256.80
	29	78	145.20	68.40	213.60
	6	75	157.60	67.00	224.60
	13	65	137.60	67.95	205.55
28 to 31	20	71	129.80	68.40	198.20
	27	57	93.00	74.60	167.60
	28 to 31	26	59.20	17.80	77.60
		3,598	\$6,522.20	\$3,624.15	\$10,146.35

1959

Jan.	1 to 3	14	\$ 16.90	\$ 29.20	\$ 46.10
	10	89	162.20	56.20	218.40
	17	62	110.80	63.30	174.10
	24	78	146.80	99.70	246.50
Feb.	31	67	132.80	60.60	193.40
	7	61	127.40	59.60	187.00
	14	71	143.60	63.30	206.90
	21	67	141.60	53.90	195.50
Mar.	28	71	152.10	66.80	218.90
	7	85	186.70	67.00	253.70
	14	61	121.80	72.95	194.75
	21	94	151.60	90.50	242.10
29 to 31	28	78	133.20	98.60	231.80
	29 to 31	23	51.60	17.80	69.40
		921	\$1,779.10	\$899.45	\$2,678.55

1959 (Concluded)

Week ended		Return	Weekly Costs		
		Trips	Tickets	Cash	Total
Apr.	1 to 4	49		138.50	138.50
	11	94		249.00	249.00
	18	97		253.50	253.50
	25	100		274.50	274.50
May	2	95		264.50	264.50
	9	89		236.50	236.50
	16	92		242.00	242.00
	23	80		205.50	205.50
	30	86		221.50	221.50
June	6	85		212.50	212.50
	13	91		228.00	228.00
	20	93		237.50	237.50
	27	83		219.50	219.50
July	4	80		208.25	208.25
	11	83		223.50	223.50
	18	98		246.00	246.00
	25	102		274.50	274.50
Aug.	1	105		257.50	257.50
	8	97		246.60	246.60
	15	98		246.00	246.00
	22	93		254.00	254.00
	29	96		250.00	250.00
Sept.	5	111		286.00	286.00
	12	95		243.50	243.50
	19	106		273.00	273.00
	26	99		265.50	265.50
Oct.	3	108		285.00	285.00
	10	109		281.00	281.00
	17	89		227.00	227.00
	24	105		253.00	253.00
	31	101		256.00	256.00
Nov.	7	105		261.50	261.50
	14	103		250.00	250.00
	21	97		241.80	241.80
	28	94		231.50	231.50
Dec.	5	92		230.40	230.40
	12	96		239.70	239.70
	19	111		271.50	271.50
	26	87		224.50	224.50
	27 to 31	65		159.50	159.50
		4,680	\$1,779.10	\$10,569.20	\$12,348.30

STEINBERG'S LIMITED BRIDGE TOLL COSTS
1960

<i>Week Ended</i>	<i>Return Trips</i>	<i>Weekly Costs—Cash</i>
Jan. 1 to 2	8	18.50
Jan. 9	91	229.00
Jan. 16	107	245.00
Jan. 23	95	233.00
Jan. 30	95	222.50
Feb. 6	106	243.50
Feb. 13	94	223.50
Feb. 20	90	211.50
Feb. 27	93	221.00
Mar. 5	113	259.50
Mar. 12	114	261.50
Mar. 19	111	157.50
Mar. 26	109	263.00
Mar. 27 to 31	81	218.00
	<u>1,307</u>	<u>\$ 3,107.00</u>

APPENDIX "C"

STEINBERG'S LIMITED

*Drivers 1955**Drivers Still With Company*

G. Lavigne	P. Théoret	R. Plamondon
P. Marcil	E. Pelletier	J. P. Péloquin
P. E. Hébert	G. Labine	J. L. Brosseau
N. Marcogleise	J. P. Fournier	G. Lecompte
G. Décarie	E. Cassidy	A. Thibault
F. Corbeil	A. Aubertin	H. Denofsky
R. Huot	G. Lapierre	B. Bouvier
L. Ledoux	G. Demers	R. Chartrand
L. Larivée	G. Hotte	D. Dufresne
C. Déry	R. Lamontagne	W. Graus
G. Daigneault	L. Marchand	G. Mattioli
M. Beaudin	R. Lapointe	G. Lescarbeau
D. Karas	N. Brousseau	G. Ménard
F. Martel	J. Raso	R. St-Onge
L. Vignola	J. Bell	L. Boucher
R. Desjardins	R. Tremblay	R. Cusson
F. Savoie	P. Langlais	P. Demers

Drivers Left Company

J. P. Caya	C. Guay	B. Bourget
M. Perreault	J. P. Gervais	G. Demers
W. Trépanier	J. C. Brisebois	J. P. Boucher
A. Fortin	F. Binette	G. Alexander

63 Drivers

1956

Drivers Added Still With Company

A. Masse	F. Aumais	G. Choinière
M. Dubé	R. Warren	L. C. Bolduc
L. Paquette	M. Fewer	G. Quintal
R. Marcotte	M. Maisonneuve	Y. Despins
A. Longtin	P. Cervetti	

Drivers Added and Drivers Left Company

P. E. Lanthier	R. Morin	M. Piché
R. Généreux		

81 Drivers

1957

Drivers Added Still With Company

A. Rouffort	A. Déry	L. Peterkin
A. Hébert	M. Lepage	J. M. Rainville
H. Audette	J. Cournoyer	H. Luce
V. Delorme	A. Breton	R. Bazinet
B. Blais	B. Tremblay	M. Frappier
G. Cléroux	F. Lemieux	

Drivers Added and Drivers Left Company

B. Girard	J. Coupal	D. A. Sandford
F. Beauchamp	P. E. Roireau	M. Morin

1958

Drivers Added Still With Company

R. Giroux	A. Cartwright	G. Leblanc
J. A. Gagnon	J. M. Guérard	N. Plourde
M. Castonguay	A. Blais	B. Fournier
S. Lavallée	A. Verner	A. Brosseau
		G. Pageau

Drivers Added and Drivers Left Company

M. Forest

1959

Drivers Added Still With Company

R. Lacasse	M. Chandonnet	Y. Dontigny
E. Visocchi	A. Rausis	G. Pépin
J. C. Murray	G. Houde	J. G. Proulx
P. E. Rousse	R. McDonald	

Drivers Added and Drivers Left Company

R. Ouimet	J. M. Gaudet
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1960

Drivers Added Still With Company

C. Leclerc	J. Roy	P. E. Boisse
R. Archambeault	J. P. Dufresne	

DRIVERS COMPANY SENIORITY

J. P. Peloquin	Feb. 10/45	R. Plamondon	Aug. 30/45
B. Bouvier	Feb. 19/46	A. Thibault	Jul. 29/47
D. Dufresne	Apr. 1/48	G. Lescarbeau	Apr. 19/48
G. Menard	Jan. 11/49	L. Boucher	Jan. 13/49
J. L. Brosseau	May 12/49	W. Graus	Jun. 14/49
P. Marcil	Jun. 23/49	G. Cleroux	Oct. 7/49
G. Mattioli	Nov. 18/49	L. Vignola	Mar. 20/50
R. St. Onge	May 5/50	R. Tremblay	Jun. 9/50
G. Hotte	Jun. 29/50	R. Desjardins	Sep. 11/50
R. Cusson	Nov. 3/50	J. Guillemette	Nov. 27/50
P. Langlais	Dec. 27/50	F. Martel	Apr. 24/51
R. Lamontagne	Jun. 12/51	L. Ledoux	Jan. 4/52
R. Chartrand	Jan. 7/52	L. Larivee	Apr. 2/52
P. E. Hebert	Apr. 11/52	C. Dery	May 28/52
P. Theoret	Jul. 3/52	A. Brosseau	Nov. 19/52
L. Marchand	Dec. 22/52	M. Beaudin	Feb. 4/53

R. Lapointe	Jun. 8/53	D. Karas	Jun. 29/53
F. Corbeil	Oct. 5/53	G. Lavigne	Oct. 5/53
J. Leonard	Oct. 7/53	R. Bouthillette	Nov. 2/53
S. Lavigne	Feb. 4/54	E. Gibbs	Mar. 29/54
G. Labine	May 10/54	J. P. Fournier	Jun. 25/54
G. Decarie	Jul. 2/54	E. Cassidy	Jul. 9/54
A. Aubertin	Jul. 15/54	R. Huot	Aug. 9/54
G. Lapierre	Nov. 10/54	A. Masse	Dec. 3/54
G. Choiniere	Dec. 29/54	M. Dube	Mar. 28/55
R. Warren	Apr. 18/55	G. Quintal	Jun. 15/55
L. Bolduc	Jun. 15/55	L. Paquette	Jun. 21/55
F. Aumais	Jun. 27/55	R. Marcotte	Aug. 4/55
M. Maisonneuve	Sep. 23/55	Y. Despins	Oct 7/55
A. Longtin	Nov. 3/55	Cervetti, P.	Nov. 8/55
Dery, A.	Dec. 19/55	L. Peterkin	Dec. 22/55
A. Hebert	Mar. 1/56	M. Lepage	Mar. 5/56
J. M. Rainville	Apr. 9/56	A. Rouffort	May 8/56
J. Cournoyer	Jun. 3/56	H. Luce	Jun. 14/56
A. Breton	Jul. 23/56	R. Bazinet	Aug. 9/56
V. Delorme	Aug. 20/56	F. Lemieux	Oct. 4/56
B. Blais	Oct. 29/56	H. Audette	Dec. 5/56
B. Tremblay	Jan. 16/57	M. Frappier	Jan. 21/57
R. Giroux	Apr. 15/57	J. M. Guerard	Apr. 22/57
J. A. Gagnon	May 7/57	G. Pepin	May 23/57
A. Blais	Jun. 17/57	B. Fournier	Jun. 20/57
M. Castonguay	Jul. 5/57	A. Verner	Aug. 1/57
S. Lavallee	Sep. 10/57	G. Leblanc	Sep. 26/57
A. Cartwright	Oct. 15/57	G. A. Pageau	Oct. 24/57
R. Lacasse	Oct. 24/57	M. Chandonnet	Jan. 23/58
Y. Dontigny	Jan. 30/58	A. Rausis	Mar. 3/58
E. Visocchi	Apr. 21/58	J. C. Murray	Apr. 25/58
G. Houde	Apr. 28/58	J. G. Proulx	Apr. 29/58
P. E. Rousse	May 6/58	R. McDonald	May 16/58
C. Leclerc	Jun. 2/58	J. Roy	Jun. 17/58
P. E. Boisse	Jan. 25/58	R. Archambeault	Jul. 7/58
J. P. Dufresne	Jun. 21/58		

APPENDIX "D"

STEINBERG'S LIMITED

VEHICLES
1955-1960

	Small Trucks	3 Ton Trucks	Tractors	Trailers	Delivery Trucks	Total
1955.....	15	28	23	40	25	131
1956.....	17	28	29	46	31	151
1957.....	17	27	40	64	31	179
1958.....	21	26	40	67	31	185
1959.....	22	26	44	67	31	190
1960.....	24	26	48	77	31	206

APPENDIX "E"

MIRON & FRÈRES LIMITÉE

LISTE DES CHÈQUES DE NATIONAL HARBOURS BOARD POUR LE
PONT JACQUES-CARTIER

4- 7-55	6639	\$ 375.00
13- 7-55	6866	375.00
15- 7-55	6911	412.50
20- 7-55	7029	375.00
25- 7-55	7079	505.00
27- 7-55	7114	375.00
4- 8-55	7204	650.00
4- 8-55	7205	375.00
19- 8-55	7552	750.00
25- 8-55	7631	770.00
29- 8-55	7659	75.00
6- 9-55	7706	750.00
14- 9-55	7806	950.00
20- 9-55	7914	930.00
23- 9-55	8051	750.00
27- 9-55	8110	920.00
6-10-55	8245	9.25
3-11-55	8608	125.00
18-11-55	8878	750.00
21-11-55	8881	240.00
5-12-55	8998	71.05
20-12-55	9323	905.00
28-12-55	9385	620.00

Total (1955)..... \$12,057.80

4- 1-56	9411	\$ 645.00
11- 1-56	9522	197.50
13- 1-56	9532	375.00
17- 1-56	9617	40.75
3- 2-56	9829	16.50
23- 2-56	152	46.50
2- 3-56	203	17.25
23- 3-56	545	55.25
23- 4-56	950	49.00
2- 5-56	1042	53.75
4- 5-56	1085	34.50
14- 5-56	1222	50.00
22- 5-56	1298	70.75
5- 6-56	1517	76.75
11- 6-56	1628	750.00
26- 6-56	1900	49.25
10- 7-56	2035	42.25
20- 7-56	2236	49.00
25- 7-56	2293	59.25
3- 8-56	2419	31.00
17- 8-56	2539	81.80
30- 8-56	2829	91.00
6- 9-56	2888	375.00
11- 9-56	2911	750.00

LISTE DES CHÈQUES DE NATIONAL HARBOURS BOARD POUR LE
PONT JACQUES-CARTIER—*Suite*

18- 9-56	3026	53.25
1-11-56	3282	59.75
9-10-56	3349	15.45
11-10-56	3399	750.00
23-10-56	3627	750.00
23-10-56	3628	750.00
6-11-56	3765	1,500.00
6-11-56	3767	280.00
8-11-56	3800	42.25
19-11-56	4037	1,500.00
20-11-56	4050	97.50
5-12-56	4199	60.00
6-12-56	4227	1,500.00
27-12-56	4591	57.25

Total (1956) \$11,422.50

8- 1-57	4675	\$ 45.25
4- 2-57	5072	47.00
5- 3-57	5448	750.00
6- 3-57	5489	10.00
29- 4-57	6267	750.00
2- 5-57	6318	73.50
22- 5-57	6613	79.25
4- 6-57	6748	751.00
5- 6-57	6769	83.75
13- 6-57	6817	750.00
18- 6-57	6884	80.50
25- 6-57	7010	750.00
25- 6-57	7011	750.00
5- 7-57	7602	750.00
8- 7-57	7208	750.00
9- 7-57	7215	25.65
11- 7-57	7256	750.00
16- 7-57	7297	750.00
18- 7-57	7352	750.00
22- 7-57	7389	750.00
22- 7-57	7396	103.00
26- 7-57	7501	750.00
31- 7-57	7589	750.00
7- 8-57	7628	25.50
12- 8-57	7694	750.00
15- 8-57	7806	750.00
21- 8-57	7945	750.00
26- 8-57	7989	69.75
28- 8-57	8011	750.00
4- 9-57	8033	43.75
6- 9-57	8049	800.00
12- 9-57	8103	750.00
19- 9-57	8173	750.00
20- 9-57	8189	79.00
26- 9-57	8349	750.00
2-10-57	8487	750.00

LISTE DES CHÈQUES DE NATIONAL HARBOURS BOARD POUR LE
PONT JACQUES-CARTIER—*Suite*

8-10-57	8512	750.00
15-10-57	8559	750.00
21-10-57	8588	62.00
22-10-57	8592	750.00
31-10-57	8913	750.00
5-11-57	8928	12.00
6-11-57	8950	800.00
18-11-57	9186	750.00
25-11-57	9338	750.00
6-12-57	9451	750.00
19-12-57	9715	58.00

MIRON QUARRY LTD.

15- 5-57	893	750.00
17- 6-57	949	750.00
6- 7-57	1088	1,500.00
26- 7-57	1078	1,500.00
19- 7-57	1054	1,500.00
9- 7-57	1004	1,500.00
3- 7-57	1000	1,500.00
23- 8-57	1156	1,500.00
13- 8-57	1119	1,500.00
20- 9-57	1196	1,500.00
3- 9-57	1166	1,500.00
11- 9-57	1185	1,500.00

Total (1957) \$40,748.90

3- 2-58	177	\$ 750.00
10- 3-58	655	45.00
26- 3-58	914	750.00
2- 4-58	990	750.00
3- 4-58	995	20.00
5- 5-58	1374	40.75
20- 5-58	1607	124.25
21- 5-58	1635	753.00
4- 6-58	1792	33.25
4- 6-58	1794	750.00
16- 6-58	1926	750.00
3- 7-58	2210	13.15
4- 7-58	2217	750.00
18- 7-58	2344	750.00
23- 7-58	2384	750.00
5- 8-58	2632	94.25
7- 8-58	2664	750.00
9- 8-58	3101	63.75
18- 8-58	2776	112.50
18- 8-58	2769	750.00
26- 8-58	2915	750.00
3- 9-58	3062	750.00
11- 9-58	3146	750.00
17- 9-58	3213	750.00
18- 9-58	3217	73.25

LISTE DES CHÈQUES DE NATIONAL HARBOURS BOARD POUR LE
PONT JACQUES-CARTIER—*Suite*

30- 9-58	3456	750.00
2-10-58	3498	5.00
7-10-58	3515	750.00
17-10-58	3631	750.00
17-10-58	3632	46.75
30-10-58	3911	750.00
11-11-58	3946	750.00
17-11-58	4077	750.00
25-11-58	4201	750.00
4-12-58	4389	31.75
11-12-58	4497	750.00

MIRON QUARRY LTD.

12- 5-58	1888	1,500.00
5- 9-58	2220	870.00
17-10-58	2314	600.00

Total (1958).....		\$20,986.65
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5- 1-59	4782	\$ 37.00
14- 1-59	4906	750.00
27- 2-59	5497	750.00
1- 4-59	5911	750.00
10- 4-59	6002	20.00
14- 5-59	6485	61.50
18- 5-59	6515	750.00
19- 5-59	6527	80.00
25- 5-59	6565	750.00
5- 6-59	6811	750.00
9- 6-59	6848	120.00
22- 6-59	6996	750.00
23- 6-59	7082	265.00
2- 7-59	7263	750.00
15- 7-59	7404	750.00
27- 7-59	7605	750.00
5- 8-59	7791	135.00
10- 8-59	7840	750.00
20- 8-59	8039	750.00
31- 8-59	8266	750.00
4- 9-59	8301	75.00
13-10-59	8846	40.00
15-10-59	8890	150.00
20-10-59	8949	750.00
11-11-59	9343	105.00
1-12-59	9749	750.00
7-12-59	9799	60.00
28-12-59	214	750.00

MIRON QUARRY LTD.

2- 2-59	2602	750.00
2- 4-59	2754	500.00
15- 5-59	2858	750.00

STANDING COMMITTEE

LISTE DES CHÈQUES DE NATIONAL HARBOURS BOARD POUR LE
PONT JACQUES-CARTIER—*Fin*

10- 7-59	2981	750.00
31- 8-59	3103	900.00
20-10-59	3201	500.00
18-11-59	3267	750.00

Total (1959)		<u>\$18,048.50</u>
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MIRON & FRÈRES LIMITÉE

8- 1-60	290	20.00
9- 3-60	1207	750.00
5- 4-60	1648	750.00
8- 4-60	1691	80.00
23- 5-60	2420	750.00

MIRON QUARRY LTD.

5- 4-60	3580	750.00
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Total (1960)		<u>\$ 3,100.00</u>
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Grand total		<u><u>\$106,364.35</u></u>
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HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960

LIBRARY

JUN 14 1960

UNIVERSITY

STANDING COMMITTEE

ON

RAILWAYS, CANALS AND
TELEGRAPH LINES

Vice-Chairman: W. MARVIN HOWE, ESQ.

PROCEEDINGS

No. 21

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

THURSDAY, JUNE 2, 1960

WITNESSES:

Messrs. Maurice Archer, Chairman, and G. Beaudet, Port Manager,
Montreal Harbour; both of National Harbours Board.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

Allmark,	Deschatelets,	McGregor,
Asselin,	Drysdale,	McPhillips,
Badanai,	Dumas,	Monteith (<i>Verdun</i>),
Baldwin,	Fisher,	Pascoe,
Bell (<i>Saint John-Albert</i>),	Garland,	Payne,
Bourbonnais,	Grills,	Peters,
Bourget,	Horner (<i>Acadia</i>),	Phillips,
Bourque,	Horner (<i>Jasper-Edson</i>),	Pigeon,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pratt,
Brassard (<i>Lapointe</i>),	Keays,	Rapp,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Rogers,
Bruchési,	Lessard,	Rynard,
Cadieu,	MacInnis,	Smith (<i>Calgary South</i>),
Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Smith (<i>Lincoln</i>),
Campeau,	Martin (<i>Essex East</i>),	Smith (<i>Simcoe North</i>),
Chevrier,	Martini,	Thompson,
Chown,	Michaud,	Tucker,
Creaghan,	McBain,	Valade,
Crouse,	McDonald (<i>Hamilton South</i>),	Wratten—60.
Denis,		

Eric H. Jones,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, June 2, 1960.

(34)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day.

Members present: Messrs. Allmark, Asselin, Baldwin, Bourbonnais, Bourget, Browne (*Vancouver-Kingsway*), Chevrier, Chown, Denis, Deschatelets, Drysdale, Horner (*Acadia*), Martini, McBain, McGregor, McPhillips, Payne, Peters, Phillips, Pigeon, Rogers, Smith (*Calgary South*), Thompson, Tucker, and Wratten.—(25)

In attendance: The Honourable George Hees, Minister of Transport; of the *National Harbours Board*: Mr. Maurice Archer, Chairman, and Mr. G. Beaudet, Port Manager, Montreal Harbour; Mr. Walter Smith, Ottawa, Executive Representative, Canadian National Railways; and Dr. P. M. Ollivier, Law Clerk of the House.

In view of the sad death of the Chairman, Mr. Gordon K. Fraser, and in the unavoidable absence of the Vice-Chairman, Mr. W. M. Howe, the Clerk of the Committee called for nominations for an Acting Chairman for the meeting or meetings of this day. Thereupon Mr. Chown moved, seconded by Mr. Payne, that Mr. McBain be elected Chairman for the meeting or meetings of this day. There being no further nominations, the Clerk declared Mr. McBain elected. He thereupon assumed the Chair.

The Acting Chairman thanked the Committee for the honour which it had paid to him and then read a message to the Committee from the Vice-Chairman lamenting the death of the late Mr. Fraser. The Honourable Mr. Hees and Mr. Chevrier spoke in the same vein. The Committee then rose and observed a minute's silence in memory of their late Chairman.

The Committee then considered the schedule of future meetings, in view of morning sittings of the House commencing next week.

Following debate, it was moved by Mr. Smith (*Calgary South*), seconded by Mr. Payne,

That the Acting Chairman be asked to reconstitute the Steering Committee, and that it consider what further witnesses should be called before the Committee; and that members of the Committee submit such further names of witnesses as they wish be called; and that the Steering Committee consider such recommendation and report to the Main Committee. The said motion was carried unanimously.

In regard to future meetings, the Committee agreed that it would continue to meet on Tuesdays and Thursdays commencing at 9.30 o'clock a.m.

Messrs. Beaudet and Archer were called, being still under oath. They produced documentary answers to questions which had been asked at the last meeting on Thursday, May 26th, copies of which were distributed to members present, as set out below. The Committee agreed that the said documentary answers be printed as appendices to the proceedings of this day.

(See below for detail of the said appendices.)

Graph of revenue from bridge tolls, 1936-1959, at Jacques-Cartier Bridge Montreal, compared with Victoria Jubilee Bridge, Montreal—Percentage change-rate of change graph

Appendix "A"

Graph of Jacques-Cartier Bridge toll revenues for the years 1951 to 1959, comparable to a similar graph for Victoria Bridge toll revenue, being part of Appendix "A" of the proceedings of the Committee of May 12, 1960, commencing at Page 1013.

Appendix "B"

Bar graph of comparative revenue from tolls at Victoria Bridge and Jacques-Cartier Bridge for the years 1945 to 1959.

Appendix "C"

Bar graph of comparative revenue from tolls at Victoria Bridge and Jacques-Cartier Bridge on a monthly basis for the years 1945 to 1959.

Appendix "D"

Record of sales of "Block" toll tickets at Jacques-Cartier Bridge from September 1, 1957 to December 31, 1959

Appendix "E"

Messrs. Beaudet and Archer answered questions arising from the production of the said documents.

Mr. Beaudet then spoke on his investigation regarding the sale of *en bloc* tickets to Bélanger Transport Cie Ltée. Mr. Archer answered a question of Mr. Fisher at the meeting of May 26th regarding the dealings of the National Harbours Board with the Royal Canadian Mounted Police.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the proceedings. The interpreter, Miss Paulette Cyr, continued to be under oath.

At 12.25 o'clock p.m. the Committee adjourned to the call of the Chair.

Eric H. Jones,
Clerk of the Committee.

NOTE: *Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.*

REMARQUE: *Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.*

EVIDENCE

THURSDAY, June 2, 1960.
9.30 a.m.

The CLERK OF THE COMMITTEE: Gentlemen, you have a quorum. Due to the unfortunate death of the chairman of the committee and the unavoidable absence today of the Vice-Chairman, I declare the meeting open for nominations for an acting chairman of the meeting or meetings of this day.

Mr. CHOWN: I move Mr. McBain, Mr. Clerk.

Mr. PAYNE: I second that.

The CLERK OF THE COMMITTEE: Are there any further nominations? None. Accordingly I declare Mr. McBain elected. Mr. McBain, will you please take the chair?

The ACTING CHAIRMAN: Gentlemen, in view of the fact that your Vice-Chairman, Mr. Howe, is going to be absent until next Wednesday, June 8, I appreciate the honour that you have conferred upon me in nominating me acting chairman today.

The secretary has given me a message from Mr. Howe that he would like to have read at this time. It reads as follows:

I am sure that every member here was as saddened and shocked by the untimely death of your chairman as I, and that not only the members of parliament and the members of the Senate, but also all those who knew Mr. Fraser, and particularly those from his own constituency, share in the deep sense of loss experienced by Mrs. Fraser and her family.

There is no need for me to go into Mr. Fraser's background and his record of many years of service in the House of Commons, because I am certain that every member of the committee is aware of his outstanding service to the people of Canada and his unselfish devotion and service to his own community and riding.

Mr. Fraser, by his courteous treatment of members and witnesses, exemplified the outstanding attributes of a committee chairman.

Those are also my own sentiments. I believe Mr. Hees has some remarks to make.

Hon. GEORGE H. HEES (*Minister of Transport*): Thank you, Mr. Chairman. I would like to say how much I thought of Mr. Fraser, as has been so well expressed by Mr. Howe, and I am sure we all agree with those sentiments.

Gordon Fraser worked very hard as chairman of this committee, as he worked in everything he took up within the House of Commons and for his

constituents. Having talked with him on many occasions about the work of committees, and this one in particular I know how conscientiously he approached his task, and how keen he was that everything should be done properly, that all members of the committee should have ample opportunity to ask questions and gain information, and that nothing should be left undone to bring out everything that the inquiry under his chairmanship sought to develop.

Therefore, I feel sure that we all agree with the very well expressed sentiments of Mr. Howe, and mourn very sincerely, along with our colleagues of the House of Commons, the passing of our late chairman, Mr. Gordon Fraser.

Mr. CHEVRIER: Mr. Chairman, I wonder if I might be allowed to add a word to what has been said, and to re-echo the sentiments of Mr. Howe and the minister regarding our late chairman.

While tribute has already been paid to him in the House of Commons, I think it is fitting that some word should be said about him here in the committee. I believe this is the first time that a chairman of a committee of the house has passed away while on duty. I have no recollection of one having passed away before—I may be mistaken.

I think that certainly all those of us who sit in the Opposition would want you, Mr. Chairman, to know how fairly and equitably we thought the chairman performed his duties in this committee—at times very difficult ones. There were times when he agreed with us; there were times when he disagreed with his own members. But I think he was always anxious to be fair to all members of the committee.

I can recall one instance many, many years ago, which perhaps the committee would pardon my taking a minute to refer to. It was during consideration of the estimates of the Department of Transport, and Gordon Fraser was most anxious to see that the lamp posts on the Driveway, which were the responsibility of the Department of Transport, and which were at more than an oblique angle, were put right. He felt that they were not at all straight. He referred to them continually, and I, as ministers are sometimes wont to do, sort of brushed him off. Then I went to see for myself what they were like, and asked one of the officers to do likewise. The conclusion was soon come to that something had to be done about them, and the lamp posts were straightened, at not too considerable cost to the department. Gordon Fraser received very excellent publicity in the Ottawa papers because of that gesture.

It simply shows that when a member is quiet, persistent and courteous, such as he always was, very often he attains what he wants. I thought I would like to recall this happening that took place a number of years ago.

I am sure all my colleagues join with me in saying how sorry we are at his passing, and to wish you, Mr. Chairman, our very best in the duties which you have just taken on.

The ACTING CHAIRMAN: Thank you, Mr. Chevrier. Would the committee at this time rise and maintain a moment's silence in memory of our late chairman?

The committee paid tribute to the late Mr. Fraser.

The ACTING CHAIRMAN: Thank you, gentlemen. Before we proceed with this morning's meeting I would just like to advise you that starting next week, the hours of sitting of the house will, as you know, commence at 11:00 o'clock. Does the committee wish to vary the present schedule, which calls for the sittings to be from 9.30 a.m.? As you know, this has continued as late as 12.30 p.m. on occasions, and has sat in the afternoon also when necessary.

Mr. SMITH (*Calgary South*): Before the committee answers that, Mr. Chairman, I wonder if you could reconstruct for us the work yet ahead and the programming of it.

The ACTING CHAIRMAN: Gentlemen, there are two bills to come before the committee. There is bill S-31, an act to incorporate the Northern Pipe Line Company. This has already been referred to the committee. There is another bill still to be referred to the committee that is an act respecting the Wabush Lake Railway Company Limited and Arnaud Railway Company. That, I understand, has been passed by the Senate but has not yet reached the house.

Mr. SMITH (*Calgary South*): Is it your intention, Mr. Chairman, to introduce those into the committee on Tuesday?

The ACTING CHAIRMAN: The clerk informs me that it will be impossible to introduce both of them on Tuesday: it will probably be possible for one of them to be considered on Thursday.

Mr. SMITH (*Calgary South*): Then, in addition to the legislation through private bills that we have, what does the committee yet have before it with respect to either of the two bridges which are under examination, regarding witnesses?

The ACTING CHAIRMAN: This would be up to the committee, if you desire to call any further witnesses. They are no further witnesses who have been summoned to appear. We have some with us this morning.

Mr. SMITH (*Calgary South*): The fact is, Mr. Chairman, that I am a little confused, because we did ask to call quite a number, and I was wondering if there are any others to call.

Mr. CHEVRIER: On that subject, Mr. Chairman, there are some 20 or 25 witnesses who have been listed, and of those I doubt whether half have been called. Whether it is the intention to call all the rest of them, I am not in a position to say; but I do know that some of the remaining ones should be called.

Mr. DRYSDALE: Which ones would you suggest, Mr. Chevrier?

Mr. CHEVRIER: I will suggest them in due course.

Mr. DRYSDALE: Mr. Chairman, I think this would be the time, now, for the members of the committee to indicate what witnesses should be called.

Mr. CHEVRIER: Some of the witnesses were suggested by members who are not here.

Mr. DRYSDALE: Those could be referred to the steering committee, then.

Mr. CHEVRIER: The list is there. All one needs to do is to read the list of names and one can see those who have been called, and those who remain to be called.

There are three witnesses, members of the conciliation board whom, it was decided to call many weeks ago; and what happened at a steering committee meeting afterwards, I do not know. But they were not called.

Mr. DRYSDALE: Mr. Chairman, the only reason I was suggesting that the witnesses be named at this particular time was because of the fact that, for example, Mr. Campney and Mr. Howe had been suggested; but I think the particular people who were going to call those witnesses had abandoned the idea.

Mr. CHEVRIER: The motion was made not to call them, and it was carried unanimously.—Mr. Howe, Mr. Michaud and, I think, Mr. Campney. I am not sure about the latter, but certainly two ministers. Those two—if not three—are off the list now.

The ACTING CHAIRMAN: The clerk informs me that Messrs. Howe and Michaud were taken off the list. On the motion, as I recall it, Mr. Campney's name was not included.

Mr. SMITH (*Calgary South*): To bring it to a point, it is because of Mr. Chevrier's remarks that I was curious as to how we were going to proceed.

Perhaps if the steering committee could give us the last report, indicating to us whether those who have been brought forward are all those to be called—assuming that has happened—then may I suggest that the committee recommend to the steering committee the balance that they wish to have before us to be heard. In that way we could reach some conclusion of when we are going to conclude the hearings, on that basis.

Mr. CHEVRIER: Unfortunately, the chairman of the steering committee is not with us. I think there would have to be a reconstitution of the steering committee and those matters referred to it.

Mr. SMITH (*Calgary South*): But there is still a recommendation, obviously, outstanding from the last meeting of the steering committee.

Mr. CHEVRIER: I was not present: I do not know what happened there.

Mr. PAYNE: Mr. Chairman, while we are on this subject, and in the event of a possible convening of a new steering committee, I would like to express an opinion or two which I have held for some considerable time, having sat through a great many of these proceedings.

I think it is time that this committee gave some serious thought to what witnesses it should call in the future, because in the past we have called, and spent a great many hours of time, both of the members and of the witnesses before this committee, to accomplish but very little.

The one thing that we have certainly done, that I think the steering committee should take into consideration, is the fact that we have taken out of circulation for a great many hours most important and valued officials, such as the officers of the National Harbours Board, which naturally reflects in the time available to them to discharge their other very essential and responsible undertakings.

I think that if the considerations of the steering committee are as to whom they should call, they should be sure there is going to be some substance and some real need, and not the looseness that has been the practice too often in this committee during this session of parliament. We have wasted a "whale of a lot of time".

An Hon. MEMBER: Hear, hear!

Mr. DRYSDALE: As a member of the steering committee, I would like to point out to my friend, Mr. Payne, that the majority of witnesses have been suggested by members of the committee, generally, and under this particular system of proposing witnesses, anybody in the committee who feels that he might be able to produce some information that might be of assistance to the committee is entitled to propose that particular witness.

Under this system there is no way in which the steering committee can examine these people ahead of time, or tell whether or not they have any substance, relating to the evidence they are going to present. The committee has to function on the basis that it is the responsibility of these people who propose the witnesses that they believe, at the time that they are proposing them, they have something of value to produce to the committee. I do not think the steering committee, basically, has had any function with regard to the calling of witnesses. I agree with Mr. Payne that perhaps we should have gone a great deal faster, with a little bit more organization, but the present way the committee is set up, with each member entitled to be his own counsel and entitled to propose any witness, if he thinks they might be able to produce something, has resulted in the thousands of pages we have. But I agree with my friend, Mr. Payne, on some of his points, I want to point out the difficulties of the steering committee with regard to it.

Mr. SMITH (*Calgary South*): Perhaps I should move the deputy chairman be asked to reconstitute the steering committee, and that the committee members submit the names of further witnesses to be called, and then report back at the next meeting?

The DEPUTY CHAIRMAN: Can we have a seconder for Mr. Smith's motion?

Mr. PAYNE: I would second it, and in seconding it I would like to refer to the one difference Mr. Drysdale thinks there is between us. I am sure that no member of the committee wishes, in any way, to interfere with the calling of witnesses who have anything of substance to bring before this committee. However, I think the difference between Mr. Drysdale and myself is just in the word he used. "They call witnesses"—he says—"Whom they hope might have something to contribute to this committee." There has just been too much damned "hoping" on the part of too many members in calling all the witnesses they have called before this committee.

The ACTING CHAIRMAN: Ready for the question, gentlemen?

Mr. DRYSDALE: Just before the question, I wonder if it would be possible while we have the committee here, if any of the members present have any other names to suggest, that these be presented to the steering committee? I do not want any more names, I would emphasize that; but I think it would be better to enable our planning to continue.

Mr. CHEVRIER: I do not want to be precluded by this statement of Mr. Drysdale from suggesting at any future time the witnesses who may have to be called. I am not going to be put in the position of having agreed or disagreed. It may well be, if this committee decides to continue, there are witnesses who are not even on the list we would suggest be called. But beyond that, I do not want to go at this time.

Mr. DRYSDALE: It is not my intention to preclude Mr. Chevrier, and I think it would be pretty well impossible to, but it was just to assist the committee that perhaps certain names be given at this time.

The ACTING CHAIRMAN: I shall ask the clerk to read the motion.

The CLERK OF THE COMMITTEE: Moved by Mr. Smith, (Calgary South) and seconded by Mr. Payne:

That the acting chairman be asked to reconstitute the steering committee, and that it consider what further witnesses should be called before the committee.

Mr. SMITH (*Calgary South*): The only addition to that is that I have asked committee members to set out to the steering committee their recommendations, and that the steering committee then report back. I think the initiative has to come from the committee members; that is the only difference in the wording there.

Mr. CHEVRIER: If we get into the discussion of suggestions we want to make to the steering committee, we will be at it all morning. Is that not the function of the steering committee, who will then report back?

Mr. SMITH (*Calgary South*): Far be it from me to have a difference on a small point with you, Mr. Chevrier. I say that somebody has to make a suggestion, and it seems to me it must come from the committee.

Mr. CHEVRIER: You made the motion and I think we are all in agreement with it, and I wish you would not add to it.

The ACTING CHAIRMAN: All in favour of the motion?
Agreed to.

The ACTING CHAIRMAN: I suggest the names we already have be again submitted to the steering committee, and that they bring back a report on these names we have already on the list. Is that agreed?

Mr. BALDWIN: In that respect, would it be possible in any way to have a previous briefing of these witnesses, and so avoid the difficulty which arose at one of the previous meetings? It seems a reasonable suggestion that, without in any way trying to commit the witness to any type of evidence, surely it

would be possible to ascertain if they have anything to say which would be of value as a statement to the committee. It may be the steering committee might have that in mind, when they consider recommendations.

Mr. SMITH (*Calgary South*): Supplementary to that, I suggest the steering committee really should do a pretty good screening job, to determine whether they have anything of value for the committee.

Mr. BALDWIN: I was just putting it politely!

The ACTING CHAIRMAN: Before this matter came up, I was endeavouring to get the feeling of the members of the committee on hours of sitting. Do you wish to meet from 9 until 11 o'clock, or from 9.30 until 11?

Mr. CHOWN: Not unless we reduce the quorum, because I do not think we will get one at 9; and we will have a tough enough time getting one at 9.30.

Mr. CHEVRIER: I did not hear that, Mr. Chown.

Mr. CHOWN: I was just saying we would have difficulty, I think, in getting a quorum at 9 o'clock, and we have enough trouble, now, getting a quorum at 9.30.

Mr. CHEVRIER: I agree fully.

Mr. CHOWN: I think the hours should remain the same, 9.30 to 11 o'clock.

The ACTING CHAIRMAN: Is the committee still agreed that we should meet at 9.30 a.m.?

Agreed to.

The ACTING CHAIRMAN: You will recall that at the last meeting of this committee there was a little mix-up in the names of a trucking company. I will ask our clerk to explain just how that came about, at this time, before we proceed any further.

The CLERK OF THE COMMITTEE: I think I could best cover that, as briefly as possible, by referring to the notes which I made at the time.

Mr. DRYSDALE: I think the clerk put his reasons on the transcript at the time.

The CLERK OF THE COMMITTEE: The transcript has not been printed yet.

The ACTING CHAIRMAN: Before the clerk proceeds, he might explain why the transcript has not been printed too.

The CLERK OF THE COMMITTEE: The committee will recall, Mr. Chairman, that at the last meeting, a week ago today, three witnesses were called from trucking firms. In the case of the first witness, Mr. James Doyle of Steinberg's Limited, he was asked to produce several items of information, of which he did not have records with him at the time, and he said that he would compile them. The committee agreed the information be sent to the clerk of the committee, as quickly as it could be compiled, and that it be included as appendices to the proceedings of that day.

The Chairman pointed out to the committee that that would entail some delay in the printing, and the committee agreed, without motion, it should be done that way.

I have been in touch with Mr. Doyle on three occasions since then, trying to fix a date by which we could get that information. On Monday he told me it would be mailed on Tuesday, and that I would receive it on Wednesday. I did not receive it on Wednesday, so I called him and said, "What has happened to these documents?" He said, "They were mailed late yesterday afternoon by special delivery to you, at the address you gave me."

I have been in touch with the post office at the House of Commons, and also with the main post office in Ottawa, and the package is being traced. I have everything else ready to send to the printer as soon as this information is available to attach as appendices.

In that transcript, which will be in the next printing, is the explanation as to all the circumstances surrounding the calling of a certain Mr. Bélanger of one of the Bélanger transport organizations.

Mr. DRYSDALE: I wonder if on future occasions, and for the guidance of the Clerk, when there is material to be submitted in the form of an appendix, and it cannot arrive in time, and there is a delay—I think the Clerk operated in a correct fashion, according to the wishes of the committee on this occasion—but if the material could be printed in a subsequent copy of the proceedings as an appendix, that would be better, because I think it is invaluable the committee should have a copy of the last proceedings of evidence. As I say, a great deal of questions I asked I would like to have referred back to, to refresh my memory. I think, perhaps, in the future if the clerk just printed it in the appendix of the proceedings being printed at the time it was available, that would be preferable; then the evidence would arrive on time.

The ACTING CHAIRMAN: As I recall it, the committee agreed to have it printed as an appendix to that day's proceedings.

Mr. DRYSDALE: I believe the committee thought the amount of delay necessary, which we were willing to allow, was going to be sufficient to have it in the hands of the committee before this particular meeting. That was the feeling; but it turns out it was wrongly the feeling.

The ACTING CHAIRMAN: It was unfortunate the delay occurred, and it may not occur again, but your suggestion will be taken into consideration, Mr. Drysdale.

Mr. MCPHILLIPS: Mr. Chairman, as I understand it, the business today was two-fold, in having the witnesses from the Harbours Board—in the first place, to try and clear up the mystery concerning Bélanger Transport, and secondly, at the request of Mr. Fisher, because he wanted some further evidence from Mr. Archer and Mr. Beaudet, to fill in some gaps that he mentioned.

My suggestion would be that as the other may take some time, we try to get from Mr. Beaudet—I suppose it would be—some information about the purchases of tickets by some Bélanger transport company.

The ACTING CHAIRMAN: We have Mr. Archer and Mr. Beaudet with us this morning. They are still under oath from the previous sitting, so I believe at this time they are ready to answer questions that may be asked.

Mr. MAURICE ARCHER (*Chairman, National Harbours Board*): I have some documents to table which were asked for at the last committee meeting.

The ACTING CHAIRMAN: Mr. Archer suggests they have some documents to table following requests at the last committee meeting. Is it agreed they be tabled?

Agreed.

Mr. ARCHER: Mr. Drysdale, requested us to show the revenue of the Jacques Cartier bridge and the Victoria bridge on a semi-log paper. I have copies for distribution here.

(*Said document was distributed. See Appendix "A" hereto.*)

Mr. BEAUDET: The documents which I have been requested to file are the following:

1. A chart showing the Jacques Cartier bridge toll revenue, on a monthly basis and on a moving annual basis, for 1951 to 1959 inclusive, in the same manner as the graph produced by the Canadian National Railways. (*Document filed; see Appendix "B" hereto.*)

2. Comparative revenue graphs showing the revenue from tolls on both Victoria bridge and Jacques Cartier bridge, for the years 1945 to 1959 inclusive, both on a yearly basis, and on a monthly basis (*Documents filed; see Appendices "C" and "D".*)

I would like also to file a document entitled "Record of sales of block toll tickets, for period December 1, 1957 to December 31, 1959."

(*See Appendix "E".*)

Gentlemen, I think that I could throw some light now on the matter of the Bélanger Transport compagnie limitée. Our records were right: Bélanger Transport compagnie limitée have purchased sold en bloc tickets. I might explain, however, in a few words, what has happened. The clerk of the committee has already outlined, at the last meeting, his difficulty in calling the witness. When he called me after six o'clock in the evening of May 17, he suggested that maybe we had made a mistake in preparing the list. I said this could well be.

However, after making a check of our files, I realized that the name was very clearly shown as Bélanger Transport compagnie limitée. In the end, another witness from a company called Bélanger Transport, was called.

I then set my own police force and bridge clerk on the road to try to find the man from Bélanger Transport compagnie limitée who had purchased tickets, and it was not easy. The man was finally located, however, and we have obtained from him a sworn declaration, which I would like to file today. This declaration is in French, and I might read it or translate it, unless the committee feel the official translator should translate it after I have read it in French.

The ACTING CHAIRMAN: What is your wish, gentlemen?

Mr. CHEVRIER: Is it long?

Mr. BEAUDET: Not very long.

Mr. CHEVRIER: Perhaps you should read it in French first.

Mr. McPHILLIPS: I think it should be read in French first, and then the official interpreter should interpret it.

The ACTING CHAIRMAN: All right, read it in French.

Mr. BEAUDET (*In French*):

The ACTING CHAIRMAN: Translator, translate the statement, please.

Mr. BEAUDET (*Interpretation*):

Solemn declaration. I, Ernest Laforest, No. 1748 Dorion Street, Montreal, solemnly declare that: During a period of at least two years, that is from January 1, 1957 to December 3, 1959, I was employed by Bélanger transport compagnie limitée, 1294, St. Elizabeth Street, Montreal, as a truck driver for this firm. During this period the truck of Bélanger transport compagnie limitée which I drove was rented or leased to the United 5 cent to \$1.00 Stores of Canada Ltd., 860 Côte de Liesse road, Montreal, which paid for all expenses of the trucking. During this same period on several occasions I personally purchased block tickets for the Jacques Cartier bridge and sometimes tickets were purchased by the employee of the United 5 Cent to \$1 Stores of Canada Limited who travelled with me. The name of the employee is E. Cooperman. The tickets purchased by Mr. Cooperman were used exclusively to cross the Jacques Cartier bridge. The cost of these tickets for my truck was \$4 for ten tickets before April 1, 1959, and \$5 for 10 tickets after April 1, 1959. In addition, I believe that my employer, Mr. Marcel Leroux, manager of Bélanger Transport Compagnie Limitée, was not aware of that fact that I was purchasing

block tickets to cross the Jacques Cartier bridge, since these tickets were paid for by the United 5 Cents to \$1 Stores of Canada Limited which paid for all the expenses of the truck.

And I make this solemn declaration consciously believing it to be true and knowing it has the same force and effect as if it were made under oath under the Canada Evidence Act.

(signed) Ernest Laforest

Sworn to before me at Montreal, this 31st day of May, 1960.

(signed) R. Mayer,

Superior Court Commissioner,

District of Montreal,

Witnessed: R. Aubertin.

The CHAIRMAN: Are there any questions of Mr. Beaudet?

Mr. McPHILLIPS: I wonder if Mr. Beaudet, who is a resident of the Montreal region, has any personal knowledge of this Bélanger Company. Do you know anything at all about them?

Mr. BEAUDET: No; I am afraid I do not.

Mr. McPHILLIPS: Do you think this could be in accordance with the fact.

Mr. BEAUDET: I think those are the facts. I spoke to Mr. Leroux myself. He appeared to me to be very surprised that he had not been informed by his truck driver of those purchases of the block tickets. I mentioned to Mr. Leroux that I thought he should have been aware of this fact because he received a letter from us last March telling him that in the past he had purchased sold en bloc tickets, and if he wanted to carry on he could do so. This letter described the new procedure. I think it might be advisable to file this letter. This is the letter which was forwarded to a list of trucking companies which we had on our books in March, 1959. The list has been submitted to the committee. The letter reads as follows:

Gentlemen, on April 1, 1959, a new tariff of bridge tolls for Jacques Cartier bridge will become effective. A copy of this new tariff is enclosed for your information and guidance.

Our records show that, in the past, your organization has been buying tickets in strips of ten to cover the payment of toll for your trucks passing over Jacques Cartier bridge. We presumed that this procedure has presented some advantages to you and that you will want to carry on in the future.

This privilege will be extended with the new tariff and we wish to inform you that "sold en bloc" tickets for the different class of trucks, as covered by the new tariff, will be available at the Montreal side toll office, starting Monday, March 23, 1959. Your present strips of ten tickets will be accepted at the bridge until 11:59 a.m. Wednesday, April 1, 1959. After that date, all unused tickets shall be redeemed at their face value by sending them to:

National Harbours Board,
Superintendent of Bridges,
357 Common Street,
Montreal 1, Quebec.

Mr. Leroux did not recall having seen that letter; but if you ask for an opinion, I am of the opinion that the fact is as outlined in this declaration of the truck driver.

Mr. McPHILLIPS: You do not have any personal knowledge of this, but it seems odd that the only occasion that any of the Bélanger trucks would use the Jacques Cartier bridge would be when this one truck was being hired. This is the instance. None of the other trucks used it?

Mr. BEAUDET: I do not think so. I think Mr. Bélanger had other trucks crossing the Jacques Cartier bridge, but they were paying cash. They were not using sold en bloc tickets.

Mr. McPHILLIPS: He informed our clerk and told us his trucks did not use the bridge at all. He said it was a local business in Montreal.

The CLERK OF THE COMMITTEE: What Mr. Leroux said was that, being a local trucking company, they used the bridge very rarely, and when they did they always paid in cash and never bought en bloc tickets.

The CHAIRMAN: Does that explain it?

Mr. BEAUDET: The Bélanger Transport Company Limitée is a Montreal firm on St. Elizabeth street.

The CLERK OF THE COMMITTEE: The answer is that the manager of the Bélanger Transport Company Limitée of Montreal told me that their trucks rarely used the bridge, and, on the rare occasions when they did, they paid cash and never bought en bloc tickets.

Mr. DRYSDALE: On this list you provided us of the record of sales of block toll tickets, you have a footnote that apparently the records of sales by cheque prior to September 1, 1957, have been destroyed. You apparently kept the cheque records from 1957 to 1959, but the record of the cash sales has been destroyed prior to January, 1959. Would you explain that?

Mr. BEAUDET: I did not say it is our records. They are not our records. It is the records of the treasury office. They are employees of the Department of Finance, and can do whatever they want with their records. I have absolutely nothing to say about how long they should be kept and when destroyed.

Mr. DRYSDALE: These are the treasury records?

Mr. BEAUDET: Yes. All these are treasury records, because they concern cash. I might say, however, that in the case of records of cash sales it is not an absolutely correct record, because never were the bridge clerks required, when selling sold en bloc tickets, to show the name of the person buying the tickets; nor does the Canadian National Railways take down my name when I purchase a ticket to go to Toronto. It was not required. The cheques of course became a permanent record because they reached the treasury office directly.

Mr. DRYSDALE: Take an example like Miron & Frères Limitée—would you have a record of their cheques before 1957? Could you take each company and trace its history, year by year, as to its purchases of block tickets by cheque?

Mr. BEAUDET: We cannot—not the National Harbours Board. The treasury advises also that the only record they have is the chart I have filed this morning.

Mr. DRYSDALE: In other words all the evidence today is a record of the cheques from 1957 until 1960?

Mr. BEAUDET: Yes.

Mr. DRYSDALE: I am not an accountant, but I would think as a matter of bookkeeping it perhaps would have been of assistance, with this large volume of tickets, to have a journal page devoted to each company; but there is nothing in the bookkeeping records which would give any indication?

Mr. BEAUDET: Are you referring to one company?

Mr. DRYSDALE: Any of these volume companies, companies doing a considerable volume?

Mr. BEAUDET: I cannot agree with you. I do not think there would be any purpose for Treasury to keep a ledger for each company regarding the purchase of tickets. Maybe I am mistaken, but I do not see how it could be of any advantage.

Mr. DRYSDALE: How are these cheques destroyed? Is it under a minute of the Treasury Board?

Mr. ARCHER: That would be under the control of Treasury. These must be current account cheques. We would not keep the cheques. It would have to be a record as a journal entry. I do not think we would have any cheques in our possession, because they are current accounts and are returned to the company.

Mr. DRYSDALE: Then the journal records are destroyed?

Mr. ARCHER: That is what Mr. Beaudet tells me.

Mr. BEAUDET: The Treasury Office could give you the total amount of sold en bloc tickets for any particular day but not for each company.

Mr. DRYSDALE: Miron & Frères Limitée have cheques for 1957, 1958 and 1959 averaging somewhere between \$20,000 and \$23,000. I am trying to understand why journal records would be destroyed within a period of three years.

Mr. ARCHER: I am not saying they are technically journal entries; they might be a bookkeeping entry.

Mr. BEAUDET: I do not think this would be a journal entry, because we were not invoicing the company. If we had been invoicing the company, and the company paid by cheque, it becomes a journal entry. This is not the case. This is a case where a man goes to a store and makes a purchase. It is a book entry, and not necessarily a journal entry. There will be a record, as I said, of every sale of sold en bloc tickets for every day, but I doubt that it would be with the name of the company. If you so wish, at noon, I could call the Treasury Office to find out if prior to 1957, there is any such record, but, as indicated at the bottom of the record which was prepared by them, they say that the record of sales by cheque prior to September 1, 1957, have been destroyed.

Mr. DRYSDALE: I am wondering why there was not any kind of permanent record, but I do not want to pursue it further.

The ACTING CHAIRMAN: Gentlemen, we have several documents which have been tabled here this morning. Is it your wish that they all be printed as appendices to the proceedings?

Agreed.

(See Appendices "A", "B", "C", "D" and "E".)

The ACTING CHAIRMAN: The Clerk has informed me that it would involve a considerable extra expense to print this very long document, as Appendix "D". It will have to be folded over, and included at the back of today's proceedings, and will make quite a bulky document in the proceedings. However, it can be done by the printing bureau.

Mr. DRYSDALE: It is part of the evidence. I do not see how we can start being selective now in leaving out evidence.

The CHAIRMAN: Then is it your pleasure that all the documents which have been produced today be printed as appendices?

Agreed.

Mr. PETERS: I might suggest that this exhibit could be cut-off by months, and put in that way at less expense. There is no reason why, when it is printed, it could not be cut-off by months. It would save a lot of money.

The CHAIRMAN: I think our Clerk will suggest that to the printing bureau.

Mr. MCGREGOR: Mr. Chairman, is there any significance in the fact that the Western Bakeries paid \$17,876 in 1958, and \$4,208 in 1959, and Steinberg's Limited paid \$6,593 in 1958, and \$1,656 in 1959?

Mr. BEAUDET: I can answer that very simply. Weston Bakeries purchased sold en bloc tickets up until March 31st, 1959. After that date they stopped

purchasing sold en bloc tickets and chose to pay cash and deposit money in the toll collection machines. So the amount you see here for Weston Bakeries for the year 1959 represents sales for January, February and March—three months only. After that they paid cash.

Mr. MCGREGOR: But you have no item here for them for cash?

Mr. BEAUDET: It is not recorded as sold en bloc tickets. They stopped purchasing sold en bloc tickets on April 1, 1959.

The CHAIRMAN: In other words when the automatic toll system went into effect they paid cash?

Mr. BEAUDET: Yes.

Mr. MCGREGOR: On the other hand there are very many companies which paid more money in 1959 than in 1958?

Mr. BEAUDET: That could be. The column 1959 is divided in two parts, cash and cheque. This means that for the purchase of sold en bloc tickets some companies were paying cash and others were paying by cheque. That is the meaning of these two columns in 1959.

Mr. ARCHER: But there were a lot of other companies going by, like they do every day, and dropping in 75 cents. That is not recorded here. That is not en bloc; that is individual trips.

Mr. MCPHILLIPS: When Mr. Girard of Miron & Frères was here he told us of a novel method they had of paying for passage of heavy equipment. He said for heavy equipment they did not pay anything on the bridge, but that a record was kept by the bridge authorities and he was billed at the end of the month. Would the payment of these billings be shown here?

Mr. BEAUDET: No. This was a special arrangement made with a few companies which were operating large floats across the bridge. Whenever a large float crossed the bridge, first of all an engineer must ascertain that the float is not over the permissible weight on the bridge and police protection must be provided. The staff of the bridge must prepare a report giving the full details of the float and the load on the float. This report is sent to the Treasury Officer who bills the company for passing on the bridge. Prior to this new method described by Mr. Girard, which was probably prior to 1955 were very few heavy equipment travelling on the bridge and when they were crossing the bridge they were paying at the toll booth. That arrangement was not satisfactory, since the staff on the bridge were not engineers it was difficult for them to assess the proper toll or weight of the float and the equipment carried on the float.

Mr. MCPHILLIPS: So those revenues, while not shown in this record of sold en bloc sales, would be shown in your general revenue?

Mr. BEAUDET: In the toll revenue.

Mr. PETERS: What arrangement is made now for trucks? Are there tokens?

Mr. BEAUDET: There are no tokens for trucks. Tokens only apply to automobiles.

Mr. PETERS: Are you still using en bloc tickets for trucks.

Mr. BEAUDET: Block tickets are still in use for trucks. All those who have not got block tickets must pay cash by depositing cash in the toll machine.

Mr. PETERS: Is there a special arrangement for these trucks to get the tickets?

Mr. BEAUDET: Trucks must use attended lanes, the automatic lanes being exclusively for automobiles.

Mr. PETERS: In other words the system is not changed in so far as truck transport is concerned?

Mr. BEAUDET: No; except that in the attended lanes the toll officer is not receiving the money. The machine takes the money. The toll officer assesses the truck and indicates to the machine what toll should be received to permit passage of the vehicle. But this assessment is further checked by equipment attached to the machine. In other words on a three-axle vehicle which would cost \$1, should the toll officer make a mistake and assess only 50 cents, the driver depositing 50 cents in the machine will not get the green light, because the machine has a double memory and will tell the toll officer he has made a mistake, and it will not accept 50 cents for a three-axle truck. It has to be at least \$1.

Mr. PETERS: Would you consider this to be a closer control than was in effect previously?

Mr. BEAUDET: Certainly. It is as good a control as we possibly can have with today's knowledge and the equipment available on the market.

Mr. PETERS: Is any effort made to persuade these companies which are using the bridge on a regular basis to buy en bloc tickets by cheque?

Mr. BEAUDET: No. Before the automatic toll equipment it was interesting for us to push the sale of sold en block tickets; it is not necessary today.

Mr. PIGEON: May I ask some questions on the figures here. This is on the chart headed Jacques Cartier bridge—toll revenues in the period between October and November, 1959. There is an increase of revenue.

Some Hon. MEMBERS: A decrease.

Mr. PIGEON: Yes. It is a decrease.

Mr. BEAUDET: It is down; it is a decrease.

Mr. CHEVRIER: I would like to ask Mr. Beaudet a question or two on the graph. Would you look at the Victoria bridge toll revenue which is at the back of proceedings No. 16. It is the page after page 1033—it is not numbered. Have you that before you?

Mr. BEAUDET: Yes, I have.

Mr. CHEVRIER: You have produced this morning the Jacques Cartier bridge toll revenue graph which compares with the Victoria bridge. Would you tell the committee first of all what you understand by moving annuals? What do you understand by moving annuals?

Mr. BEAUDET: A monthly curve is a curve plotted on the basis of the monthly toll revenues. The moving annual is obtained in the following manner: starting from a point showing the total revenue for the year specified, less the month of January for the previous year, plus the month of January for the current year and so on, for the following months, that is what is known as the moving annual curve.

Mr. CHEVRIER: How does the moving annual curve on the graph which you have just filed compare with the one filed by the Canadian National, following page 1033?

Mr. BEAUDET: It is, I would say, very similar with, maybe, a slight change. In 1950 we have a little higher curve than the Canadian National. However in 1957 our curve flattened, while the Victoria bridge curve goes up.

Mr. CHEVRIER: Can you give an explanation for that?

Mr. BEAUDET: It would indicate that what I have said before is correct; in other words, I have indicated to this committee that on the Jacques Cartier bridge matters looked to be getting bad late in 1956 and early 1957; and I also said that more of the traffic at that time might have been diverted to the Victoria bridge, or possibly a combination of both. This curve also proves what I said about 1957; looking at the Canadian National curve I find that in 1957 there was quite a steep angle in their revenue, while ours is flattened.

Mr. HORNER (*Acadia*): You had an increase too in 1957, according to your testimony; maybe it does not show as such in your moving annual, but in your monthly statement for 1957, July and August went up higher than they had been at any other time prior to 1957.

Mr. BEAUDET: That is correct. There is an increase.

Mr. HORNER (*Acadia*): I do not want to proceed with that line of reasoning.

Mr. CHEVRIER: I wanted to find out if it was the same for the two bridges that he mentioned.

Mr. BEAUDET: I did not say there was a decrease in 1957 on the Jacques Cartier bridge. I said there was a flattening out of the curve.

Mr. HORNER (*Acadia*): There was still an increase though?

Mr. BEAUDET: Yes, there was still an increase, but a lesser increase, while on the Victoria bridge there was a very sharp increase in 1957.

Mr. CHEVRIER: Might I ask you to turn to the monthly Victoria bridge graph, and would you mind expressing your opinion as to the difference, if any, between the two, and as to how they compare?

Mr. HORNER (*Acadia*): For what months?

Mr. CHEVRIER: The monthly chart for the Victoria bridge, the whole revenue from 1951 to 1960.

Mr. DRYSDALE: I think it should be pointed out that on the Victoria bridge we will have to assume that these graphs indicate something, because they have not put in revenue figures beside them as to what these fluctuations represent. What are we to assume from these tracks going up and down on the Victoria bridge?

Mr. CHEVRIER: I presume that these questions were asked of the Canadian National witnesses.

Mr. HORNER (*Acadia*): They give you the trend.

Mr. CHEVRIER: Perhaps this witness can tell us. Can you tell us, Mr. Beaudet, what you understand by the monthly revenue returns in the graph filed by the Victoria bridge people, or by the Canadian National, on the Victoria bridge, extending from 1951 to 1960?

Mr. DRYSDALE: But there are no figures on the graph which Mr. Beaudet could interpret on the Victoria bridge toll revenues.

Mr. DESCHATELETS: Mr. Chairman, would it not be possible to permit the witness to answer the question and not to be interrupted by others? Is it not possible for Mr. Chevrier to have an answer to his question without being interrupted?

Mr. CHEVRIER: I do not think that Mr. Drysdale should be arguing with me about the nature of the request, because if he does so, we are going to get into a point of order. We have not interrupted any of the witnesses in the questioning which took place this morning, and I hope I shall be allowed to continue my examination. And if Mr. Drysdale wishes to go back and ask further questions, then it is up to him to do so. But I think I should be allowed to carry on with my questioning.

Mr. DRYSDALE: On a point of order, it was not my desire to interrupt Mr. Chevrier. But he has been asking Mr. Beaudet to interpret the Victoria bridge chart, a chart with which he had nothing to do in preparing, and in asking him to refer to figures, and with respect to fluctuations there is nothing to relate them to an absolute amount. I was trying to point that out.

Mr. CHEVRIER: The question was asked of this committee—or rather a request made to this committee—that the graph similar to the one prepared

on the Victoria bridge should be prepared for the Jacques Cartier bridge, so that the two could be compared on that basis; and it has now been produced.

I ask Mr. Beaudet if he could explain to the Committee what is meant by monthly annual. Let me go back to the graph. What do you mean by monthly annual which you have on your graph here tabled this morning?

Mr. BEAUDET: This is just a curve indicating the monthly trend or revenue. This graph shows that the revenue is lowest in January and February of every year, and higher in July or August.

As to comparing the one with Victoria bridge, I must admit that it is very difficult to elaborate or to talk about the trend, since there is no scale shown. However, there is another document filed this morning which applies to both bridges and which shows Jacques Cartier bridge and Victoria bridge revenue for each month.

Mr. CHEVRIER: Yes, that is the table entitled "Comparative revenue from tolls Victoria bridge and Jacques Cartier bridge monthly basis."

Would you compare the trend from 1945 up to 1960 or 1959 between the two bridges?

Mr. BEAUDET: This graph shows clearly that whenever there was an increase of tolls on the Jacques Cartier bridge, there was a similar or approximately similar increase on the Victoria bridge; and whenever there was a drop due to economic conditions, or other reasons, on Jacques Cartier bridge, there was a similar or equivalent drop on Victoria bridge.

There have been some exceptions, or course, and there are instances which are relevant very specifically to what happened on Victoria bridge. For instance, on Victoria bridge there was an increase on April 6, 1956 when an additional lane was opened to traffic; and this has produced over one full year, a 37 per cent increase. I think it was said by Mr. Henderson, at page 871, that when the Victoria bridge opened the additional lane, revenue increased by 37 per cent.

The installation of automatic toll collection on our bridge shows a terrific increase in revenue at that specific point, but there is no increase of the same proportion on the Victoria bridge. However, the committee will recall that when the equipment on the Victoria bridge was placed in operation, one traffic lane was closed. So it would be logical to say that, if, by putting two lanes in, the revenue increased by 37 per cent, by closing one lane the revenue should drop to where it was prior to opening the additional lane.

However it did not drop to where it was. Instead, it remained constant; as a matter of fact, it increased 5 per cent.

Mr. CHEVRIER: Over 37 per cent?

Mr. BEAUDET: That is right, according to a declaration of Mr. Harris in the newspapers. In 1957 the Victoria bridge had an increase of 37 per cent because they had a second lane. But in 1958 they had a further five per cent increase, yet they had closed a lane for a period of six months.

Mr. CHEVRIER: What were the actual dates?

Mr. BEAUDET: The actual dates were from the 28th of April to the 23rd of October 1958. So in all probability I think that the automatic toll equipment on the Victoria bridge has produced a similar increase to that produced on the Jacques Cartier bridge.

Mr. CHEVRIER: Could you give some indication of the effect of the additional lane on the Jacques Cartier bridge? Did it increase traffic? Is it not indicated on the graph?

Mr. BEAUDET: Yes, the fourth lane was opened in June, 1956. It is not shown in the month of June as a specific increase because we have to bear

in mind—as is indicated in the main graph—that in 1956, due to economic conditions probably, things were not as good as 1955, the year previous.

Mr. CHEVRIER: What effect did the repair to the bridge and the building on the south shore, and the lifting of the main span of the Jacques Cartier bridge have by way of a reduction of traffic on that bridge?

Mr. BEAUDET: Well, I think, Mr. Chevrier, it is a most difficult problem to analyse, and I do not think we could give a very sensible answer. There were repairs on the Jacques Cartier bridge, and there were repairs on the Victoria bridge; and the commuters used to go on one bridge or the other depending on what their neighbours would say about traffic conditions on the previous day. In other words, they were trying to avoid as much traffic delays as possible.

Mr. PIGEON (*Interpretation*): Excuse me, but Mr. Beaudet, do you not have figures for the increasing revenue for last April, for April of this year?

Mr. BEAUDET: I think I might have it.

Mr. HORNER (*Acadia*): Look at page 1147.

Mr. PIGEON (*Interpretation*): In percentages?

Mr. BEAUDET: I do not think I have it percentagewise; I do not have it.

Mr. HORNER (*Acadia*): Mr. Beaudet has actually drawn his conclusions from the graphs presented, and he has stated that in June, 1956, they opened a fourth lane on the Jacques Cartier bridge; and he said you could not compare with 1956 very well—you could not compare your increase very well, because 1956 was a poor year. But looking at this other graph, 1956 was a better year than 1955.

Mr. CHEVRIER: What other graph?

Mr. HORNER (*Acadia*): Looking at the graph tabled this morning, "Comparative revenue from tolls, Victoria bridge and Jacques Cartier bridge monthly basis". 1956 was a better year than 1955. And I could say that 1957 was a better year than 1958; and I could go on to 1959. So I think that 1956 was a reasonably good year. Yet there was no increase in June of 1956, with the additional lane over 1955; there was a decrease.

Mr. CHEVRIER: Are you giving the evidence now, Mr. Horner?

Mr. HORNER (*Acadia*): I said this, and I wonder how Mr. Beaudet came to his conclusion.

Mr. CHEVRIER: He has given his evidence already, and now you are going to dispute it?

Mr. HORNER (*Acadia*): Yes, I dispute the evidence he gave; and if you would allow me to continue my questioning, I will proceed, and maybe the witness would be allowed to answer without continual interruption.

Mr. CHEVRIER: There is no continual interruption. I am sorry if I have interrupted you, because certainly you are entitled to ask any questions you like.

Mr. PIGEON: I asked Mr. Beaudet how he came to that conclusion in June, year by year.

Mr. BEAUDET: I did not say June, and I did not compare them.

Mr. HORNER (*Acadia*): Your 1956 was a poor year, you say?

Mr. BEAUDET: Yes, I said that June was a poor month, and I will repeat it. If you look at the monthly chart and draw a line on the average, you will find that if 1956 had been a normal year, it would have been away over what it is now. And if you look at any one of the graphs, you will see.

Mr. DRYSDALE: Will you please identify the graphs, because when you say "this graph here", it will not mean anything to one reading the evidence.

Mr. BEAUDET: Here is the best one to look at.

Mr. DRYSDALE: Yes, but identify it.

Mr. BEAUDET: This is the graph showing the comparative revenue from tolls, Victoria bridge and Jacques Cartier bridge, monthly basis. This graph shows that in 1956 the revenue did not go as high as it should if it had kept to the trend of 1955.

Mr. HORNER (*Acadia*): We could take any year in that given chart, particularly 1954, which would not go as high as it is according to other years. We could take any given year, in 1958 again, and it did not go as high.

Mr. BEAUDET: That is correct. 1955 did not go as high as 1956.

Mr. HORNER (*Acadia*): It was a better year than 1955 according to the table of revenue.

Mr. BEAUDET: Slightly better, yes.

Mr. HORNER (*Acadia*): But maybe not as high as you thought it should be?

Mr. BEAUDET: No.

Mr. HORNER (*Acadia*): Why was it not as high, because an additional lane was opened in June?

Mr. BEAUDET: It could have been, since the same thing happened on the Victoria bridge; and I suppose it could have been due to economic conditions.

Mr. HORNER (*Acadia*): All right. I shall proceed with another question. You stated that in this large graph headed "Monthly basis, Victoria bridge and Jacques Cartier bridge," that there was an increase on the Jacques Cartier bridge which was very similar to an increase in the Victoria bridge.

Mr. BEAUDET: Approximately.

Mr. HORNER (*Acadia*): And also in looking at this graph I notice that for the last three years approximately there has been a decrease in several months, right from the start of the year, January; there is a decrease in the last three years on the Jacques Cartier bridge on the monthly statement, and the lowest three years show a startling decline; whereas on the Victoria bridge there is no such indication at all; in fact there is a general trend of increase over the last three years on the Victoria bridge.

Mr. BEAUDET: I qualify my statement by stating that it excluded the last three years, because on Victoria bridge in the last three years there was one additional lane of traffic.

Mr. HORNER (*Acadia*): From the fact that there was an additional lane added to the Jacques Cartier in 1956, I would presume that if anything, your yearly revenue increase would have started to come up since 1956.

Mr. BEAUDET: If the Victoria bridge is going to take the traffic by having another lane on their bridge?

Mr. HORNER (*Acadia*): I mean from the very fact that they have had one lane shut down on the Victoria bridge in the last three years, should there not be a decrease in revenue?

Mr. BEAUDET: Well, for what period? Because remember they had the automatic system in 1958.

Mr. HORNER (*Acadia*): Are you stating that the installation of the automatic system automatically brought about an increase in revenue?

Mr. BEAUDET: Definitely; and I say that on Victoria bridge the increase due to the toll collecting equipment is approximately the same as the one on Jacques Cartier bridge.

I stated some weeks ago that I thought the Victoria bridge toll collectors were not any more efficient than the toll collectors on Jacques Cartier bridge, and I am still of the same opinion after hearing the evidence.

Mr. HORNER (*Acadia*): I am sorry that I cannot agree. But how do you arrive at a sharp increase in the last year, in 1959, in the graph here, on the monthly basis of 1959 from September, which jumped away above 1958, away above 1957, when there was this continual decrease in revenue; and then we see October where in the last four years the months of October were fair enough, while in 1959 we see decrease in revenue in November and for the last four years, with 1959 away up. How do you account for that?

Mr. BEAUDET: The reason was the installation of toll equipment and the placing of it in operation on September 9, 1959.

Mr. HORNER (*Acadia*): You say that the automatic toll collection machinery being installed accounts for the increase in revenue?

Mr. BEAUDET: I did not say solely; I said it accounts for part of it.

Mr. HORNER (*Acadia*): You also stated in the evidence that due to the cessation in operations in 1959 you expected a decrease in your tariff revenue. But it is evident here that we had an increase.

Mr. BEAUDET: That is right.

Mr. HORNER (*Acadia*): And then in the yearly statement there has been an increase in 1959.

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): So there is definitely, much to your surprise, because of the decrease in operations, there has been an increase in revenue?

Mr. BEAUDET: Not much to my surprise, but certainly an increase, and we got an increase by placing the automatic toll equipment into operation; there would be no reason to place automatic toll equipment if we could not get an increase.

Mr. HORNER (*Acadia*): Would you agree with the statement made as to the Victoria bridge that the years 1959 and 1957 are comparable as far as the amount of time that the bridge was opened for two lanes, and so on?

Mr. BEAUDET: You are referring to their own operations?

Mr. HORNER (*Acadia*): Yes.

Mr. BEAUDET: I am afraid I cannot answer that question.

Mr. HORNER (*Acadia*): You stated that the bridge, in 1958, was shut down for six months and that is why the revenue was not comparable to yours after the installation of the automatic collections.

Mr. BEAUDET: That is correct.

Mr. HORNER (*Acadia*): They told us this in their evidence; but they also told us that they thought the year 1959 compared favourably with the amount of time both lanes were opened, with 1957.

Mr. BEAUDET: It could be.

Mr. HORNER (*Acadia*): All right. Then why is there not a sharper increase in the revenue for the Victoria bridge for 1959, if your toll collectors were every bit as accurate as the toll collectors before automatic toll collections?

Mr. BEAUDET: There are two reasons. One was that we had a fifth lane on the Jacques Cartier bridge; and, secondly, the Victoria bridge, in 1959, was closed on numerous occasions for one-half hour and one hour to test the lift span being installed by the St. Lawrence seaway; so the traffic did not know, when they took the direction of Victoria bridge, whether they would be held up for an hour, or not.

Mr. HORNER (*Acadia*): You stated that because of the additional lane on the Jacques Cartier bridge in 1959 you thought this should have increased the toll revenues. It did not increase the toll revenues to a great extent; in

fact, you were disappointed in June, 1956, when the additional lane was added. But in looking at June, 1959, when the additional lane was in operation, there was a decrease. Mind you, the fifth lane did not go into effect until June 10. But going on to July, 1959, there was a sharper decrease, and this is with five lanes in operation.

Going on to August, 1959, a continued decrease. It seems odd to me that for two and a half months after the fifth lane was in operation—and part of September; I believe ten days in September—when there was a decrease right at the time when ordinarily, according to another graph tabled this morning, the Jacques Cartier toll revenues graph, and this was your peak period—ordinarily your peak time, in reviewing previous years—came during a period of June to August.

This was your peak time, and yet when your five lanes were in complete operation at this peak time, there was a decrease in revenue in 1959.

How can you explain that?

Mr. BEAUDET: I said it in the evidence, that is the period, the peak period, of the inefficiency on the part of toll collectors.

Mr. HORNER (*Acadia*): Well, it is good that we have got down to a period when there is inefficiency.

Mr. BEAUDET: I never said the toll collectors were perfectly efficient. All I said was—

Mr. HORNER (*Acadia*): The system is not perfect, and therefore they could not be perfect.

Mr. BEAUDET: I said that on the Victoria bridge the system was not more efficient than ours—that is all I said.

Mr. HORNER (*Acadia*): This is the statement I am disputing. You stated, also, that the automatic toll collections—I believe I am right—were not solely responsible for the increase in revenue.

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): And then you went on to state that the fifth lane, additional in June, accounted for some of the increase in revenue.

Mr. BEAUDET: That is correct.

Mr. HORNER (*Acadia*): I think it is evident here, by the charts tabled this morning, that the fifth lane opened in June, 1959, and brought in no increase in revenue. In fact, in the peak period, according to other years—and I assume that the inefficiency, or the efficiency, of the staff was the same in 1959 as it was in other years?

Mr. ARCHER: No, it was not.

Mr. HORNER (*Acadia*): In the peak period it went down, when it should have held even, at least, with the additional lane; or it should have increased, if efficiency had remained at par or above.

Mr. BEAUDET: I will explain it this way. If it had not been for the fifth lane, the result—we are talking about June, July and August, 1959.

Mr. HORNER (*Acadia*): Yes.

Mr. BEAUDET: If it had not been for the fifth lane, the result would have been much lower than they are now indicated.

Mr. HORNER (*Acadia*): Why do you come to that conclusion?

Mr. BEAUDET: Because I said a minute ago that was the period of the peak inefficiency on the part of toll collectors.

Mr. HORNER (*Acadia*): Then why was this the peak time of the year, if it was the peak time of inefficiency?

Mr. BEAUDET: It happens that the traffic is heavier in July and August.

Mr. HORNER (*Acadia*): I fully realize that; but you stated that if it were not for the additional lane, the revenue would have dropped more than it did.

Mr. BEAUDET: That is correct.

Mr. HORNER (*Acadia*): All right. Why did it not drop every other year before this lane was installed, if this was the period of peak inefficiency?

Mr. BEAUDET: Because the toll collectors were more efficient.

Mr. HORNER (*Acadia*): In other words, there was a great deal of increase in inefficiency in the year 1959, in toll collections?

Mr. BEAUDET: Definitely. This is the year, 1959, after we had the decision of the labour arbitrator, which ordered the reinstatement of the men; and I think they just thought, "Well, we can get away with anything".

Mr. HORNER (*Acadia*): That occurred in 1957, I am thinking.

Mr. BEAUDET: No, 1958; and they were reinstated in 1959. The eight men were dismissed in October, 1958, and were reinstated 'round April, 1959. That is, between April and June 1959.

Mr. HORNER (*Acadia*): But there were only four of them resumed their jobs; am I not right in that?

Mr. BEAUDET: Seven of them resumed their jobs; only one did not come back.

Mr. HORNER (*Acadia*): But three were transferred, or something, were they not?

Mr. BEAUDET: No; the transfers took place after the investigation and the conciliation prior to the one that we are talking about now—the conciliation of 1957.

Mr. HORNER (*Acadia*): This had a demoralizing effect on the rest—

Mr. BEAUDET: Certainly on me, if nobody else.

Mr. HORNER (*Acadia*): Who hired the men? I think there has been evidence, probably, on this before; but who did the hiring of the men while you were port manager?

Mr. BEAUDET: In the first place—

Mr. HORNER (*Acadia*): Yes, who hired the men?

Mr. BEAUDET: I do not quite get your question. In 1958 and 1959, do you mean?

Mr. HORNER (*Acadia*): You became port manager in 1954?

Mr. BEAUDET: That is correct.

Mr. HORNER (*Acadia*): Did you then hire the men from then on?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): Who hired them before you were port manager?

Mr. BEAUDET: The port manager, my predecessor.

Mr. HORNER (*Acadia*): Your predecessor?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): Who was that?

Mr. BEAUDET: Mr. A. G. Murphy.

Mr. HORNER (*Acadia*): I think there is evidence in the book stating that he never hired the men; that he left it to somebody else. But I am not going to verify this.

Mr. CHEVRIER: He said he delegated the responsibility to Mr. Brown, the port secretary.

Mr. HORNER (*Acadia*): That just bears out my point.

Mr. BEAUDET: It might be a play on words, because before a man can be paid, the signature of the port manager is required. That practice has been in effect for many, many years. It may well be that what Mr. Murphy wished to say was that the interviewing of men was not done by him, but by somebody else. It is the same with me. I hired the men, in the sense that I approved of their being put on the payroll. It does not mean I have personally interviewed every employee that has been taken on.

Mr. HORNER (*Acadia*): I have one more question, and then I will drop it. In 1959, you stated the inefficiency of the toll collectors increased tremendously. Would this account for the loss—this increase in inefficiency, would it account for the continual decline in revenues since 1956?

Mr. BEAUDET: Since late 1956, yes.

Mr. HORNER (*Acadia*): The increasing inefficiency would account for that?

Mr. BEAUDET: That is right.

Mr. HORNER (*Acadia*): Even in the peak part of the year? We notice that in June and July, the best four years from 1956 on, there was a continual—approximately a continual decline of revenue.

Mr. BEAUDET: Or levelling off, yes.

Mr. HORNER (*Acadia*): In 1956 it levelled off, with a slight decline. But in July, 1957, it was up. In 1958, it was down again, and in August there was again a decline, in 1958. 1956 was a little increase. But I think there was that trend of a decrease in revenue from 1956; and you attribute this to the increased inefficiency of the toll collectors?

Mr. BEAUDET: That is right. I said in my evidence that in 1956, after I had recommended to my board to put the automatic toll equipment in operation, it may well be that this information leaked out to the toll collectors, who thought they may possibly be out of a job in, say—

Mr. HORNER (*Acadia*): And they figured they had better—

Mr. BEAUDET: I do not think I shall go further.

Mr. DESCHATELETS: Mr. Beaudet, according to your interpretation of the two charts of comparable revenues, do we understand that in your opinion the increase of the toll revenues, after the installation of the automatic toll on Victoria bridge, would be higher than 5 per cent?

Mr. BEAUDET: Yes.

Mr. PETERS: Mr. Chairman, during the operation of the bridge over the years, and now, is there an automatic axle counter in use.

Mr. BEAUDET: I am sorry; I did not hear the question.

Mr. PETERS: Is there not an axle counter in use on the bridge?

Mr. BEAUDET: Yes, there is now.

Mr. PETERS: And has there always been?

Mr. BEAUDET: No.

Mr. PETERS: Why was this never installed for your own, personal check—even spasmodically?

Mr. BEAUDET: It was installed spasmodically.

Mr. PETERS: What was the result of the comparison between the axle check and the toll?

Mr. BEAUDET: I answered that at length; previously I gave at length a whole description of this. It is in the evidence. We could not reconcile the number of vehicles on the bridge with the revenue, due to, in those days, to commuters and free vehicles that were using the bridge with a pass—

Mr. PETERS: I have another question. Does the harbours board give information to radio stations as to the crossing conditions? Is there a report to the general public giving information as to whether they should cross on the Jacques Cartier bridge or the Victoria bridge, because of traffic conditions?

Mr. BEAUDET: We do not originate this. Some years ago a radio station in Montreal would call the police on the bridge to find out what the traffic conditions were. I think this has been abandoned. I did not like that too much, because the police would report certain facts and the radio would decide to say something else. So on my own I decided to tell our police to cut it off. If they wanted to report the facts as we had seen them, fine; but if they wanted to make their own interpretation of the police report, I thought they should make their own investigation of the conditions.

Mr. PETERS: Is there competition for traffic between the Jacques Cartier and the Victoria bridge?

Mr. ARCHER: Competition?

Mr. PETERS: Yes. Do you really care how many people cross this bridge?

Mr. ARCHER: We are very much interested. We do not advertise the bridge, except by signs as far as we can from the bridge to indicate that the Jacques Cartier bridge is ahead, and similar signs.

Mr. BEAUDET: There is no discrimination between the two organizations.

Mr. PETERS: I was just wondering if there was any competition, and whether this would account for some of the change. For instance, in Ontario, on certain radio stations they will report that highway 401 is plugged with traffic; you can take highway 28, we will say, or some other highway, where conditions are not bad. They do that so that the traffic travelling will reroute itself along a different way.

Has there been any effort to see that this rerouting is done?

Mr. BEAUDET: No, we have not ourselves—or the Victoria bridge, for that matter, I think—initiated any of this information. The provincial police, however, rely on radio stations on weekends to advise the travellers as to the conditions of the roads leading to the bridges on the south shore.

Mr. ARCHER: I might say that on weekends, too, and peak hours on Sunday night or Saturday, sometimes planes fly over the bridges. I know from experience that by turning on my radio and say, "Do not use that bridge; it is plugged up. Use another bridge"; or, "Do not leave home now; there is too much traffic. Wait another hour." That is all I know about the form of competition that you mentioned.

You mentioned something, Mr. Peters, a while ago, asking about the new system on the Jacques Cartier bridge, and I thought I might read here a report which we got from the R.C.M.P. who, as you know, are now investigating the bridge.

I will not read the full report, but this is what they say in one paragraph:

Every precaution possible seems to be taken by the National Harbours Board. As far as could be established to date the automatic toll collection machines are considered foolproof. Furthermore, the present system of collecting, accounting and safeguarding the tokens would not appear to allow for any way of pilfering.

Mr. PETERS: My reason for asking about the axle counter is that it is a method of counting, and with some counting procedures you could make a double check on the automatic machines, which I understand are also a counting device. The axle counter counts a vehicle every time ones rides over it.

Mr. BEAUDET: The machine you are thinking about, the tube type of counter, is not very accurate. They are far from being accurate.

Mr. PETERS: We build our highways on this particular information.

Mr. BEAUDET: It is good enough for information required for design purposes; but it is another thing if you want to use those figures for accounting purposes.

Mr. ARCHER: I think it should be pointed out, too, that, with the tariff, you may count the axles; but you get two axles on a passenger car which pay six cents, and you have two axles on a truck and you might pay 50 cents. It might be difficult.

Mr. PETERS: The revenue would be a hell of a lot more than you would lose in the difference between trucks and cars.

Mr. PIGEON (*Interpretation*): Mr. Beaudet, in previous sittings it has been stated that on the Victoria bridge the automatic toll equipment often was defective, and that there were two replacement units used at that time, but that the replacement units themselves were often defective. Did this same situation occur on the Jacques Cartier bridge?

Mr. BEAUDET (*Interpretation*): No, for two reasons, I believe. First of all, we did not have the same conditions from coal dust; and, secondly, the company had had more experience with the machinery, where the equipment had already been in use on Victoria bridge for several months.

Mr. PIGEON (*Interpretation*): One last question, Mr. Beaudet. When the toll collectors of both bridges, the Victoria and the Jacques Cartier bridges, learned that the automatic equipment was to be installed, did you notice an increase in the irregularities as a result of this, from a fear of losing their jobs?

Mr. BEAUDET (*Interpretation*): We noticed irregularities as far as the Jacques Cartier bridge is concerned. However, I could not say whether or not it was through a fear of losing their jobs.

Mr. PIGEON (*Interpretation*): This required a lot more checking?

Mr. BEAUDET: Definitely.

Mr. DESCHATELETS: Mr. Beaudet, I refer now to an answer you have given at page 442 of the evidence, answering a question from Mr. Campbell. At page 442 you say this:

The harbour commissioners of those days considered the matter of verification of toll collection was an important thing that had to be done. They considered hiring some private detectives and they thought maybe they should consult the C.N.R. in the matter as they were operating the Victoria bridge. After consultation with the Victoria bridge authorities, the C.N.R. officials agreed to do an investigation of both bridges at the same time.

When the C.N.R. officers testified here a few weeks ago, they said that they were carrying out investigations on the Jacques Cartier bridge only on request. Can you clarify the discrepancy between these two statements?

Mr. BEAUDET: I think so. I have said in this evidence, apart from this page 442—if my memory serves me right—that I personally was under the understanding that the C.N.R. investigators would carry out investigations on Jacques Cartier bridge every time there would be an investigation on Victoria bridge.

I had that impression from reading our own files. And I think I have here some documents which would substantiate what I said in this evidence.

It is a letter from Mr. Alex. Ferguson, Port Manager, to Mr. R. F. MacLeod, Manager, Tariff and Ticket Bureau, Canadian National Railways, Montreal,

dated June 22, 1934. I think that in those days the tariff ticket bureau was responsible for the Victoria bridge operation. This letter reads as follows:

About a month ago, at the request of the commissioners, I discussed with you the possibility of your checking the toll collectors on the Montreal harbour bridge at the same time as you were checking on your own bridge and you intimated to me that an arrangement could probably be made between us.

At the last interview, when I met your officer in charge of investigations, it was my understanding that I was to hear either from him or from you outlining what could be done. Possibly the matter has escaped your attention.

The commissioners have again asked me how I am getting along in this matter and I am anxious to arrange for a check of the bridge by your people if this be possible.

I have another document which confirms this one, it is a report from Mr. S. Perrigard of the Canadian National Railway Investigation Bureau, to Mr. H. MacKenzie, Inspector of Investigations, in Toronto. This document gives out of the result of the investigation. I do not think I will read the whole document, but I could read the first paragraph, which proves the point I am trying to make.

Some time ago the Montreal harbour commissioners requested our department to check the Jacques Cartier bridge when we checked the C.N.R. Victoria bridge. Recently our officers have checked both these bridges. A detail of the results found on Jacques Cartier bridge is herewith presented.

It was on the basis of these documents that I had the impression the C.N.R. investigation team would make a check on Jacques Cartier bridge every time they were making a check on Victoria bridge.

Mr. CHEVRIER: Certainly Mr. B. J. Roberts had that impression, and so stated in the evidence that he gave.

Mr. BEAUDET: You might wonder how this document reached me. This document reached me—not “me” but my predecessor—from Mr. Shea, who has testified at this committee, with a letter dated October 15, 1934, addressed to Mr. Alex Ferguson, assistant port manager.

CANADIAN NATIONAL RAILWAYS

Investigation Department

Our File No. 126

MONTREAL, Que., October 15, 1934.

Personal and Confidential

Registered

Mr. A. Ferguson,
Asst. General Manager,
Harbour Commissioners,
357 Common Street,
Montreal, Que.

Dear Mr. Ferguson:—

As requested in your letter of October 1st, I am enclosing herewith copy of Mr. S. Perrigard's report together with details of the checking.

This information would have been given you long ago, but I was under the impression that Mr. Perrigard had settled the matter with you personally at the time.

Trusting this report will be found satisfactory, but should there be any other information on the subject you may desire, we shall be only too glad to furnish it, I remain

Yours faithfully,

Geo. A. Shea,
Director of Investigation.

Mr. DESCHATELETS: You stated a few minutes ago that the increase in toll collection revenues on the Victoria bridge, after the installation of the automatic toll equipment, would be higher, in your opinion, than 5 per cent. After studying the charts and figures already given in this committee, could you give us your opinion as to what could be the increase of the toll revenues after the installation of your automatic toll on the Victoria bridge?

Mr. BEAUDET: It would be an approximation. I think it would be more an appreciation of the facts. To obtain exact figures you must probably take into account all the conditions prevailing—opening up the bridge, closing up the bridge, and so on. However, basically, my reasoning is like this: After the Victoria bridge opened the downstream section to vehicular traffic, the increase in revenue, in accordance with their own evidence was 37 per cent. That was in 1957. In May, 1958, they placed the automatic toll equipment in operation; But in the same year, in 1958, they closed a lane for a period—

Mr. DESCHATELETS: Six months.

Mr. BEAUDET: For a period of six months, during the peak traffic months.

That is, six months on 12 being 50 per cent, let us say it would be normal to expect a decrease in revenue, due to the closing of one lane, of some 50 per cent, but as it was during the peak period let us call it 20 per cent. It would have been normal to expect a drop of revenue of 20 per cent, which is a little more than half of 37 per cent. This decrease of 20 per cent did not take place. There was, in fact, in accordance with the C.N.R. evidence, an increase of 5 per cent; so the total increase is approximately 25 per cent.

I go a step further, and say that 25 per cent increase in the bridge, where the majority of traffic is passenger cars, not only passenger cars, but commuter traffic is more impressive. I cannot analyse the percentage of commuter traffic on Victoria bridge with Jacques Cartier bridge, because the C.N.R. was asked to produce that figure or, at least, they were asked to produce the same figures as those produced for the Jacques Cartier bridge, but these figures have not been produced.

In other words, their statements show the total amount of vehicles, without the breakdown, the way we did it, by passenger cars, commuters and cash fares by trucks, buses and others.

But, in any event, considering that the Victoria bridge is used mostly by passenger cars, the great proportion of it being commuters, an increase of 25 per cent is certainly more serious than an increase of 30 per cent on a bridge where the truck is in much greater proportion. Mr. Deschatelets, as I said at the start, this is an appreciation of the facts, and that is what you asked me?

Mr. DESCHATELETS: Do I understand, Mr. Beaudet, that in your opinion the toll revenues, after the installation of the automatic tolls, on both bridges, should be interpreted in the light of specific and special conditions on both bridges?

Mr. BEAUDET: Correct.

Mr. PIGEON: (*In French*).

The ACTING CHAIRMAN: Mr. Denis first?

Mr. PETERS: Could I ask one thing? Mr. Fisher asked Mr. Archer to be here, and he was prepared to answer questions, I understand, on Tuesday. I would like to ask that his non-appearance here today be not to his prejudice, because Mr. Fisher is not able to be here; and I ask that he be given an opportunity to call Mr. Archer on others matters.

Mr. HORNER (*Acadia*): I think that he should have been here if he asked Mr. Archer to be called.

Mr. PETERS: He made arrangements previously to be away today, but he will be here on Tuesday. For that reason I ask—

Mr. CHEVRIER: When are we going to determine whether these witnesses have completed their evidence or not? Are they going to be at our beck and call for ever?

Mr. Payne made a good point, and I suppose that they want to get back to their offices.

The ACTING CHAIRMAN: Would it not suffice to have the question answered for the record now?

Mr. PETERS: I just made this request. I am not familiar with what questions were even going to be asked. I just point out that Mr. Fisher intended to be here on Tuesday and was not able to be here today.

The ACTING CHAIRMAN: Mr. Archer is quite prepared to answer the question as asked at the last meeting.

Mr. ARCHER: I think Mr. Fisher made it clear, and gave us a sort of fore-warning, and said he was a little confused without dealings with the R.C.M.P. from 1956 to 1959, both in Ottawa and Montreal. I am prepared to give a summary of our dealing with the R.C.M.P. in Ottawa, and Mr. Beaudet can give you a summary of the dealings with the R.C.M.P. in Montreal.

Mr. CHEVRIER: Let us have that.

Mr. ARCHER: First of all, there were no dealings with the R.C.M.P. in 1956. The first dealing of the board with the R.C.M.P. was in July or August 1958.

We went to the R.C.M.P. and said, "We have a situation on the Jacques Cartier bridge we would like to have investigated." We said we could make arrangements to plant two undercover men, if they wanted to, and make arrangements that they could meet Mr. Beaudet at his home, and not at his office, so we would not alert anyone.

The R.C.M.P. were very receptive to making an investigation, but told us that they preferred to handle the investigation in their own way. When they started their investigation they found out the C.N.R. were carrying out the investigation—the 1958 investigation.

The C.N.R. were carrying out an investigation and R.C.M.P. said: "Now these men have been alerted, and I think it would be futile for us to continue"—so they dropped out.

In April or May 1959, when there were threats made to some of our toll collectors, we went to the R.C.M.P., and told them about the threats. We told them we thought the condition was serious, and we intimated to them at the time the income tax people would be prepared to move in and make certain investigations. They said, at the time, they thought it would be preferable if the income tax people did not move in while they were investigating.

The R.C.M.P. reported in July and said they had investigated, and had interrogated a lot of people; but due to the reluctance of the people to divulge any information and it was difficult to detect any theft then it was useless to go any further, and to consider the matter closed.

As a result of their investigation they did not detect the identity of the people who were making the threats; and I think, if you refer to the original statement I made here, you will find I said it was an oral threat, by telephone call, made by a man or woman, and they did not identify anyone.

Following the threats to Mr. Beaudet—that was late August or early September, 1959—we contacted the Royal Canadian Mounted Police again, and they moved in again, for protection purposes.

As you know, following that, the minister, in early December of 1959 wrote the Minister of Justice and asked for a further investigation, which is now under way.

Mr. PIGEON: (*In French, uninterpreted.*)

The ACTING CHAIRMAN: Mr. Denis is ahead of you, Mr. Pigeon.

Mr. DENIS: Mr. Beaudet—

Mr. HORNER (*Acadia*): I suggest that Mr. Peters stay; we are not going to have a quorum if he does not. We have waited quite patiently through his line of questioning, and I hope that he will be gentleman enough to stay.

Mr. DENIS: Mr. Beaudet, would you tell the committee when you came to the agreement, so far as the new tariff is concerned, the agreement with the Canadian National Railways? Have you got the date of that?

Mr. BEAUDET: I do not know it by heart. I am guessing now, but I think the C.N.R. gave that evidence, and it was correct. I think it was in January, 1956; however I am not positive.

Mr. DENIS: When was this new agreement on the tariff sent for approval to the province of Quebec?

Mr. ARCHER: I think that was given in evidence previously. It was May 1, 1958.

Mr. DENIS: 1958?

Mr. ARCHER: Yes.

Mr. DENIS: When did it come back, approved by the province of Quebec?

Mr. ARCHER: In February, 1959.

Mr. DENIS: You said a moment ago, Mr. Beaudet, that the toll collectors began to be less efficient around the end of 1956. Am I right?

Mr. BEAUDET: Correct.

Mr. DENIS: Would you look at page 99 of the report, and tell the committee the number of new toll collectors hired since October, 1957?

Mr. BEAUDET: It is all clearly indicated in that statement.

Mr. DENIS: But we want that put in evidence.

Mr. DRYSDALE: It is already in the evidence.

Mr. DENIS: But I want the number. I have another question to ask as far as this is concerned.

Mr. BEAUDET: From what date, Mr. Denis?

Mr. DENIS: October, 1957.

Mr. BEAUDET: From October, 1957?

Mr. DENIS: Yes.

Mr. HORNER (*Acadia*): Why not go back to 1956, when the inefficiency increased?

Mr. DENIS: He said they started to be less efficient at the end of 1956.

Mr. HORNER (*Acadia*): He said 1956 and not "the end of 1956."

Mr. DENIS: The witness answered that question!

Mr. HORNER (*Acadia*): You put the words in his mouth.

Mr. CHEVRIER: You have been doing that all day.

Mr. BEAUDET: From October, 1956?

Mr. DENIS: I did not ask you that.

Mr. BEAUDET: 19 new collectors were hired.

Mr. DENIS: How many out of those 19 were laid off or resigned or dismissed?

Mr. BEAUDET: 6 resigned, 6 were laid off, one was dismissed for cause, and one was transferred for inefficiency.

Mr. DENIS: Would you say all those toll collectors were on the job until they got their resignation or until they were laid off?

Mr. BEAUDET: I do not think I could answer that without looking at the actual time sheet to find out whether they were always on the job. It could be that some of them were sick for an extended period.

Mr. DENIS: What number of the toll collectors?

Mr. BEAUDET: Can I answer this way, we had an establishment of thirty toll collectors?

Mr. DENIS: Yes. You would say that those people, hired since the end of 1956, worked on the bridge as toll collectors?

Mr. BEAUDET: Yes.

Mr. PIGEON (*Interpretation*): One last question. Mr. Beaudet. Since the installation of automatic toll collecting equipment, what would be the approximate increase that you expect in the month of August, of this year?

Mr. BEAUDET (*Interpretation*): You are asking me to look into my crystal ball. I expect that the increase will be better than 50 per cent.

Mr. HORNER (*Acadia*): Mr. Chairman, I would like to ask Mr. Beaudet a question. You gave your approximate guess at the increase on the Victoria bridge, all things being equal, that it would have been around 25 per cent, am I right in this?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): You drew this conclusion from the figure of 37 per cent. Could I ask you where you got that from? On page 1032, the revenue statement of the Canadian National Railways, the Victoria bridge toll revenues—

Mr. BEAUDET: I got my information from page 871, and this reads as follows:

The increase between 1955, which was the last year that we only had one side of the bridge open to traffic, and 1957, which was the first full year that we had both sides open—there were no restrictions on either side—shows the increase in revenue was 37.1 per cent.

Mr. HORNER (*Acadia*): O.K. Now look at page 1032. You will see there—you are assuming this is a 37 per cent increase, and I would point out that this was at the time of the St. Lawrence seaway construction, and all bridge revenues, even on your own bridge, increased at that time. Looking at page 1032, we see there was an increase of 5 per cent in 1958 over 1957, in revenue. There was a decrease of 5 per cent in 1958 over 1957 for their total revenues. Do you see that column?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): There was a decrease of 5 per cent?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): Then going over to an increase of 5 per cent, 5.4 per cent, in 1959 over 1957? I believe you agreed with the Victoria bridge officials, that these years were comparable?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): You see there, there was only an increase of 5.4 per cent. How do you think there could have been an increase of 25 per cent?

Mr. BEAUDET: I think I can explain that. For six months in this year, 1958, and for the six heaviest traffic months, one lane was closed.

Mr. HORNER (*Acadia*): I agree, and I see where the revenues fell during May, 29 per cent, because of the one lane being closed.

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): But there was a decrease for that year of only 5 per cent. There was a decrease in revenue in 1958 over 1957, because that one lane was closed, of 5 per cent. For the comparable years 1959 and 1957, there was only an increase of 5 per cent, when both lanes were operating, at a similar time, as I understand it.

Mr. BEAUDET: I said this: I assume if there was an increase of 37 per cent for the full year, when two lanes were in operation, it is logical to expect that when you close a lane for half a year during the heaviest traffic period, it would be normal to expect a decrease of 20 per cent. That is exactly what I said. But, this decrease of 20 per cent did not take place.

Mr. HORNER (*Acadia*): You are comparing 1955 and 1957, to get that increase of 37 per cent, to begin with?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): I suggest that may be all right for those two years. That increase did not continue, even in your own bridge structure—even in your own bridge revenues—that that increase from 1957 on did not continue, and that 1958 was lower, for several months, than in 1957.

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): So, why would you assume that the increase should have continued on the Victoria bridge, at the same rate of 37 per cent, when it did not continue even on your own bridge?

Mr. BEAUDET: Well, I did not assume it should carry on; I assumed it should have dropped 20 per cent, but it did not. It was maintained. If I followed your argument, it would be more than 25 per cent.

Mr. HORNER (*Acadia*): You assumed it should increase 37 per cent, and because it was closed six months of the year, you said: well, then, because of it being closed six months of the year, it should only increase 20 per cent.

Mr. CHEVRIER: The witness did not assume it would increase 37.1 per cent; Mr. Henderson of the Canadian National Railways gave the evidence that it did increase 37.1 per cent; so, it is not an assumption, but a fact.

Mr. HORNER (*Acadia*): You are not following my line of questioning.

Mr. Beaudet assumed this 37 per cent increase should have continued on from 1957. We are agreed that there was an increase—and that is a fact, from 1955 to 1957—but in his assumption that the revenues on the Victoria bridge should have increased 25 per cent after the installation of the automatic tolls, he based that assumption on the fact of an increase of 37 per cent, all things being equal, from 1957 on.

Mr. CHEVRIER: It is already in evidence by Mr. Henderson, that there was an increase.

Mr. HORNER (*Acadia*): From 1955 to 1957.

Mr. CHEVRIER: After that.

Mr. HORNER (*Acadia*): After that? From the evidence on page 1032, there was an increase in 1959 over 1957 of 5.4 per cent.

Mr. CHEVRIER: Look at page 1140, and you will find the answers to questions I put to Mr. Henderson. He said he had not taken into account the fact the bridge had been closed for six months. He said there was an increase of 5 per cent in the toll revenue after the installation of the automatic toll equipment.

Mr. HORNER (*Acadia*): What year are you talking about?

Mr. CHEVRIER: If you look at page 1140, you will see a series of questions put to him, but the main one is in the middle of the page, and reads as follows:

May I return to the point I am trying to make; if you did not close the bridge down for the six months period, and you had traffic going through, is it not a logical conclusion to come to that for the year, May, 1958 to May, 1959, there would have been a greater increase than 5 per cent on the Victoria bridge.

Mr. HORNER (*Acadia*): I am not disputing that. In fact, the evidence shows, at page 1032, that there was a decrease of 5.3 per cent from 1958 to 1957, and I am quite in agreement with you that this decrease would probably have not been there, and it would have been an increase if the bridge had all been in operation for the full period. But, I am disagreeing with Mr. Beaudet, on his assumption that increase would have been 25 per cent, because, if it would have been, why is it not followed through that 1959 has an increase over 1957 of 25 per cent, rather than 5.4 per cent?

Mr. CHEVRIER: Now, you are disagreeing with the witness, and that really brings us back to the work of the committee. If you want, you can disagree with a witness—

Mr. HORNER (*Acadia*): Certainly.

Mr. CHEVRIER: And I do not want to interfere with your questioning.

Mr. HORNER (*Acadia*): You certainly are, whether you want to or not.

Mr. CHEVRIER: I have a right to raise a point of order. You are not here to disagree with the witness, but to ask questions.

Mr. HORNER (*Acadia*): I am asking him questions, and if you will allow me to continue, I will.

The ACTING CHAIRMAN: I would ask that members address their questions to the chair.

Mr. HORNER (*Acadia*): Your whole assumption of a 25 per cent increase is assuming that that 37 per cent increase should have continued on from 1957; am I right?

Mr. BEAUDET: No, that is not my reasoning.

Mr. HORNER (*Acadia*): How do you reach that 25 per cent?

Mr. BEAUDET: I repeat again. It is in the evidence. Leave the years out of the discussion, if you wish.

Mr. HORNER (*Acadia*): We cannot leave the years out; they are very vital because installation of the tolls was made in 1958.

Mr. BEAUDET: I said it was a reasoning I was making. The 25 per cent you are talking about, I did not say it would apply to any particular year; I said 25 per cent would be the percentage increase due to the machine, without necessarily reflecting a 25 per cent increase in that year. The reasoning is this. Between two years—

Mr. HORNER (*Acadia*): 1955 and 1957.

Mr. BEAUDET: Yes, there was an increase of 37.1 per cent.

Mr. HORNER (*Acadia*): Yes.

Mr. BEAUDET: Now, before that time, the Victoria bridge had only one lane which was, at least at peak hours, at saturation.

Mr. HORNER (*Acadia*): During what time at the Victoria bridge?

Mr. BEAUDET: 1955. It was at saturation. Then, in 1957, another lane is put in operation, which produces 37 per cent increase in toll revenue. So, if you remove that lane, which they did, the revenue should drop to what it was at the point of saturation. In other words, there should be a drop of 37 per cent.

Mr. HORNER (*Acadia*): You are assuming.

Mr. BEAUDET: If it was closed for a full year. It was not closed for a full year, but six months, and the six heaviest months of the year. Then, I said it is normal to assume that by closing that lane in 1958, they should have expected a drop of 20 per cent.

Mr. HORNER (*Acadia*): Yes.

Mr. BEAUDET: But they did not get that drop of 20 per cent; in 1958 they got a drop of 5 per cent.

Mr. HORNER (*Acadia*): In the month of May, 1958, they got a drop of 29.1 per cent.

Mr. BEAUDET: Yes, but look what happened in the following month.

Mr. HORNER (*Acadia*): The following month, 16.9.

Mr. ARCHER: That is the month they closed the lane.

Mr. BEAUDET: All right; take July, how come there is only a drop of 5.1 per cent in July, when there was only one lane? How come, in the month of August, there was only a drop of 4 per cent? How come, in the month of September, there was a drop of only 3.2 per cent? When there is only one lane. How come in October, there is an increase of 7.9 per cent, and they still have only one lane?

Mr. HORNER (*Acadia*): For part of October there were two lanes in operation.

Mr. BEAUDET: I think the second lane was reopened on the twenty-eighth; we are arguing about two days.

Mr. HORNER (*Acadia*): I think it was the tenth. Would you explain, then?

Mr. BEAUDET: It was October 23; we are arguing on eight days.

Mr. HORNER (*Acadia*): Would you explain then why the increase was not greater—1959 over 1957?

Mr. BEAUDET: In 1959 the automatic tolls were in operation for the full year, in 1957 they were not. Therefore, as I said—and I replied to that before—in 1959, it may well be that the commuter got discouraged to use Victoria bridge because, in 1959 the bridge was closed on numerous occasions, for half an hour or one hour, to test the lift spans being installed by the St. Lawrence seaway.

Mr. ARCHER: And one lane was closed for five weeks during 1959 too, I think.

Mr. HORNER (*Acadia*): I think Mr. Beaudet is making his own guess on somebody else's bridge, and it may not be too accurate when he states 25 per cent.

Mr. BEAUDET: It is an appreciation of figures and evidence, and I said it at the start. There is no doubt that due to the fact that Victoria bridge was closed, re-opened and closed again, it is extremely difficult to determine exactly the fluctuations on revenues.

Mr. HORNER (*Acadia*): This has been going on ever since the inspection of the Victoria bridge.

Mr. BEAUDET: The Victoria bridge made a firm statement that the machine only produced 5 per cent increase in revenue.

Mr. HORNER (*Acadia*): What machine only produced 5 per cent?

Mr. BEAUDET: Toll collecting machines.

Mr. HORNER (*Acadia*): You said earlier, Mr. Beaudet, that you did not think there was any greater efficiency between your toll officers and the Victoria bridge toll officers.

Mr. BEAUDET: Yes.

Mr. CHEVRIER: It was the other way around.

Mr. HORNER (*Acadia*): And yet you went on to state that there was an increase in inefficiency on the part of your toll collectors from 1956 on; am I right?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): Are you assuming that there was an increasing inefficiency on the Victoria bridge from 1956 on?

Mr. BEAUDET: No, I did not say that.

Mr. HORNER (*Acadia*): You did not say that, but you are assuming that?

Mr. BEAUDET: No.

Mr. HORNER (*Acadia*): Then, you will agree with me and say that the inefficiency increased considerably in your bridge, and it did not on the other?

Mr. BEAUDET: I did not say one way or the other.

Mr. DRYSDALE: You do not know?

Mr. BEAUDET: I do not know.

Mr. HORNER (*Acadia*): But we can come to the conclusion there was a difference in the efficiency on your bridge and the other bridge, in the collection of tolls from 1956 on, at least?

Mr. BEAUDET: No, I did not say that, Mr. Horner, and I do not want to imply that. All I said in the evidence is that on the Jacques Cartier bridge things started to go bad in 1956 until 1959, with a peak in the summer months of 1959. That is all I said, and this is all I can say. But, for the previous years prior to 1956, the toll collectors on the Jacques Cartier bridge were not any better or any worse than on the Victoria bridge.

Mr. HORNER (*Acadia*): The trend was up to 1956?

Mr. BEAUDET: Yes.

Mr. HORNER (*Acadia*): But from 1956 on, your inefficiency increased?

Mr. BEAUDET: Yes.

Mr. DRYSDALE: Not your personal inefficiency?

Mr. HORNER (*Acadia*): No, I did not want to imply that at all—the toll collectors' inefficiency.

Mr. McPHILLIPS: Could we adjourn now?

The ACTING CHAIRMAN: I hope the committee will go along with the suggestion that we finish the questioning of the witnesses by at least 12.30 p.m.

As you are aware, it is expected the Department of Transport estimates will be up in the house this afternoon, and Mr. Archer would like to be there when his board's estimates come before the house. I hope that you can finish the questioning of the witnesses by 12.30 today. Then, I propose to call a

steering committee meeting this afternoon so that we can recommend our procedure from now on—as to whether or not we wish call further witnesses.

Do you have a question, Mr. Bourget?

Mr. BOURGET: I have only two questions. One has to do with a question asked previously by Mr. Denis, regarding the tariff in its present form. I would like to ask Mr. Archer when it was submitted to the minister after it was received from the province of Quebec.

Mr. ARCHER: I believe it is in the evidence. I think we got the order in council in Ottawa about three weeks after we received it from Quebec.

Mr. BOURGET: Do you remember the date?

Mr. ARCHER: I would have to check the dates.

Mr. BOURGET: While you are checking the date, may I ask a question of Mr. Beaudet?

In your evidence, Mr. Beaudet, you said that you took the lead in investigating the new automatic toll equipment. Now, Mr. Smith, of the C.N.R., at page 778, stated:

Mr. Henderson feels that he himself took the lead in this.

And then, later on, at page 875, Mr. Henderson did not qualify this point, but merely said that he got in touch with the company which provided the automatic equipment, on February 9, 1956. Now, do you still maintain that you took the lead in the installation of that equipment?

Mr. BEAUDET: I said I took the lead, and thank you very much for giving me the opportunity of proving it!

I would like to refer to a letter from the company renting the equipment to both bridges, Quebec Electro Control Limited, addressed to me. It is dated April 30, 1960 and is signed by Mr. F. W. Westerson, president. It reads as follows:

QUEBEC ELECTRO CONTROL LTD.

771 Howard Ave.

Montreal, Que.

April 30, 1960

Mr. Guy Beaudet, Professional Engineer,
Port Manager, Montreal Harbour,
National Harbours Board,
357 Common Street,
Montreal, P. Que.

Dear Mr. Beaudet:

1. We hereby acknowledge and certify that we received from you on September 7, 1955 an official request for our proposal for the supply and installation of modern automatically controlled toll collection equipment at the toll plaza of Jacques Cartier bridge. We will forward a photostat of the original letter within a few days.

2. Our first meeting with C.N.R. officials, regarding toll collection equipment for Victoria bridge took place on or about February 9, 1956.

Very truly yours,

Quebec Electro Control, Ltd.

(sgd) F. W. Westerson
President.

Then, I have here a letter, which I addressed to this company on September 7, 1955, which reads as follows:

NATIONAL HARBOURS BOARD

Montreal Harbour

Montreal 1, P.Q.

7th September, 1955.

Quebec Electro Control Limited,
1710, Aldred Building,
Place d'Armes,
Montreal.

Dear Sirs:

Attention: Mr. F. W. Westerson. Further to my telephone conversation with Mr. Westerson, I wish to confirm advice to the effect that the National Harbours Board is building new approaches to the Jacques Cartier bridge on the south shore and is considering the possibility of transferring toll collection to the new plaza to be built on the new approaches.

We would be pleased to receive from your company a proposal in connection with the installation of a modern toll plaza, with automatic control equipment, for the collection of tolls.

It is pointed out, however, that this proposal is to be submitted without any obligation on the part of the National Harbours Board.

I would like to suggest that you get in touch with Mr. Philip Ewart, traffic engineer, department of roads of the province of Quebec, to obtain information regarding traffic on Jacques Cartier bridge. Mr. Ewart has conducted traffic surveys for quite some time and is familiar with traffic conditions on the bridge.

Yours truly,

(Sgd) G. Beaudet,
Port Manager.

The ACTING-CHAIRMAN: Mr. Archer now has the answer to Mr. Bourget's question.

Mr. ARCHER: The lieutenant governor in council approved the tariff on February 4, 1959, and the governor general in council, on February 26, 1959.

Mr. DESCHATELETS: Mr. Chairman, my question has to do with an answer from Mr. Clément, which is set out at page 651 of the evidence.

In answering a question by Mr. Fisher, Mr. Clément stated he had a visit at his office by Mr. Pierre Sevigny. Were you aware of his visit?

Mr. BEAUDET: I am aware today.

Mr. DESCHATELETS: You are not in a position to say when that visit took place?

Mr. BEAUDET: No.

Mr. DESCHATELETS: I was expecting that Mr. Clément would have been here this morning.

Mr. PETERS: Mr. Beaudet referred to conciliation, I believe. Was that the conciliation board that sat and handled the case of the discharged workmen?

Mr. BEAUDET: Yes.

Mr. PETERS: Did you disagree with the decision of that conciliation board?

Mr. BEAUDET: Yes. It was binding on the part of the National Harbours Board. We disagreed with it, but it was binding.

Mr. PETERS: But you were not satisfied with it?

Mr. BEAUDET: No.

Mr. CHOWN: On a point of order, Mr. Chairman, this is all in the evidence. Mr. Fisher, a colleague of Mr. Peters, examined on this matter—if I recall rightly—in great detail. It is unfortunate that this evidence is not read by certain members of the committee who are not able to be present here on a continuous basis. I do not feel that we should be going on with this continuous repetition.

Mr. PETERS: I do not particularly care what Mr. Chown thinks about it.

Mr. CHOWN: Why do you not read the evidence?

Mr. PETERS: What I was interested in was your statement that the inefficiency that you mentioned was mainly the result of the conciliation board's decision, and I was curious if this is what you meant.

Mr. BEAUDET: No, I did not say that. It really is too broad a statement, to blame it entirely on the result of the conciliation board decision.

Mr. CHEVRIER: I move we adjourn.

Mr. PIGEON (*Interpretation*): Mr. Chairman, I have one last question to ask Mr. Beaudet.

I notice here that Mr. Denis made several recommendations for toll collectors, and I also note that he was not lucky in his recommendations—that is on page 98 of the evidence. Did Mr. Denis intervene often either by letter or by telephone, to have men who resigned or were dismissed for cause, re-hired?

Mr. BEAUDET (*Interpretation*): Never.

Mr. PIGEON (*Interpretation*): Neither by letter nor by telephone?

Mr. BEAUDET (*Interpretation*): Never; neither by letter nor by telephone.

Mr. PIGEON (*Interpretation*): Did he ever get to meet you?

Mr. BEAUDET (*Interpretation*): No, never.

Mr. PIGEON (*Interpretation*): By telepathy?

Mr. DENIS: How do you explain that the men you hired in 1958 were people coming from Montreal south or Ville Jacques Cartier? How do you explain that, when there is no recommendation put there? Is it possible that no recommendation appeared in this report, because there was no recommendation? Would it be possible there might be some recommendations by telephone, or otherwise?

Mr. BEAUDET: No; if there had been a recommendation, it would have been indicated. If there is no recommendation shown on the record, it is because there was no recommendation from a member of parliament or some other important person.

Mr. DENIS: Could it be a recommendation by telephone call to yourself, or Mr. Clement?

Mr. BEAUDET: No.

Mr. DRYSDALE: I just wanted to clear up one point on a matter of a letter. It was written by Mr. Ferguson. Was it your understanding, or was it your impression, that the C.N.R. was to initiate these investigations into the irregularities?

Mr. BEAUDET: It was my impression and understanding that the C.N.R. investigator will make an investigation on the Jacques Cartier bridge every time there would be one on the Victoria bridge. However, in 1956, when things started to go bad, irrespective of that understanding, I took upon myself at

that time to make a special request for a special investigation. I think I have already said that in the evidence.

Mr. DRYSDALE: The difficulty I had, Mr. Beaudet, is that Mr. Shea, who is the former director of investigation for the C.N.R., stated in evidence at page 761:

But I only checked the Victoria bridge when requested to do so.

Mr. BEAUDET: It may well be that so was the impression of Mr. Shea. However, our records show the contrary, and there is nothing in our records which would indicate that the C.N.R. came to the conclusion that they would do an investigation on the Jacques Cartier bridge only upon request. It might have been their own decision, but there is certainly nothing in our files, that would indicate such a decision from the C.N.R.

Mr. DRYSDALE: Did you yourself, or anybody else, feel any obligation to make an inquiry, either by telephone or by letter, as to what investigations were being carried on, or as to why, by the C.N.R.?

Mr. BEAUDET: When I became port manager I purposely did not want to be in touch with the C.N.R. investigator because I did not want anyone on my own staff, or even on the C.N.R. staff, to feel that I wanted to be aware of some investigation being carried out. I think this is a very important point, Mr. Drysdale. To be efficient those investigations had to be carried out with the greatest possible secrecy.

Mr. DRYSDALE: You were assistant port manager from 1947 to 1954?

Mr. BEAUDET: That is right.

Mr. DRYSDALE: According to Mr. Murphy, at page 916, he said:

No. As I indicated, administratively I acted through either the port secretary or the assistant port manager in those matters.

And "those matters" referred to investigations. During that period, from 1947 to 1954, did you have any responsibility with regard to having these investigations initiated, particularly with reference to the 1952 investigation?

Mr. BEAUDET: No. It is in the evidence. I said Mr. Murphy placed the greatest part of the bridge responsibility on me, as assistant port manager, in 1952, immediately after the investigation of 1952.

Mr. DRYSDALE: Did he request that you follow up these investigations? He made a recommendation that further investigations be made, in the 1952 report?

Mr. BEAUDET: Maybe he did, but I certainly do not recall that he would ask me to get another investigation carried out immediately.

Mr. DRYSDALE: The understanding, during that period, as far as you were concerned, and as far as Mr. Murphy and the rest of the people were concerned, was that the C.N.R. had the responsibility of making the investigation?

Mr. BEAUDET: That is correct.

Mr. DRYSDALE: But nobody bothered to find out what was happening?

Mr. BEAUDET: That is correct—Well, "nobody bothered to find out"—there may be a strong expression of the understanding. I have to go back to the statement I just made, that if you phone the C.N.R. to find out when an investigation is going to take place, there is no more secrecy about the investigation. Any head of a department could then pass the word around, "Watch your steps, because there will be an investigation." We certainly did not want that to happen.

Mr. DRYSDALE: But you did receive a report after the investigation was made?

Mr. BEAUDET: Yes.

Mr. DRYSDALE: You would be able to say investigations were made only every 4 to 6 years?

Mr. BEAUDET: I would say, 4 years.

Mr. DRYSDALE: In some cases there was a six-year spread?

Mr. BEAUDET: I do not think there are any for six years; there might be for five years.

Mr. DRYSDALE: 1946 to 1952, six years. There was one in 1946, just before you came in, and the next one was in 1952?

Mr. BEAUDET: I am sorry.

Mr. DRYSDALE: But being aware of these investigations having been made previously, nobody inquired to find out from the C.N.R. it may be a yearly investigation?

Mr. BEAUDET: I did in 1957, when I realized things were spoiling.

Mr. DRYSDALE: But up to that time you did not?

Mr. BEAUDET: No.

Mr. CHEVRIER: You and those associated with you, I take it, took it for granted every time there was a C.N.R. investigation on the Victoria Bridge there was a similar investigation on the Jacques Cartier bridge?

Mr. BEAUDET: Right.

Mr. CHEVRIER: Even though you did not get a report, as indicated in the evidence, more than every four years, you took it for granted also that the Victoria bridge was being investigated during every four or five years, or whatever term it may be?

Mr. DRYSDALE: If you say so, Mr. Chevrier.

Mr. CHEVRIER: I am following the same line of examination both you gentlemen have been following.

Mr. DRYSDALE: No, no.

Mr. CHEVRIER: I have not interrupted you.

Mr. DRYSDALE: You are suggesting the answer to the witness.

Mr. CHEVRIER: You have been arguing with the witness—or, at least, Mr. Horner has.

Mr. DRYSDALE: I have given statements in the record contradicting statement that he has made, in order to give him an opportunity to answer them.

Mr. CHEVRIER: Mr. Horner has been arguing with the witness.

Mr. DRYSDALE: Mr. Horner is not a lawyer, and you are, so you should know better.

Mr. CHEVRIER: So should you, in certain circumstances.

Mr. DRYSDALE: Any time you wanted to you could object.

The ACTING CHAIRMAN: Are you ready for the adjournment?

Mr. DRYSDALE: He is suggesting answers to the witness.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Chevrier suggested we should adjourn some time ago.

Mr. McPHILLIPS: We have not a quorum.

Mr. CHEVRIER: I have been staying here simply because I wanted to hold the quorum, in order that the meeting could carry on. I wanted to close earlier, as early as 12 o'clock.

The ACTING CHAIRMAN: The chair appreciates the members staying this morning.

Mr. CHEVRIER: If I cannot ask the question because we have not a quorum, I want it noted that I cannot ask the question and I cannot get an answer because there is no quorum.

The ACTING CHAIRMAN: Is it agreeable to the committee we adjourn to the call of the chair?

Agreed to.

The ACTING CHAIRMAN: The steering committee, we hope, will meet this afternoon, at 4 o'clock, and the clerk will advise you as to the room number.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE
COMMITTEE'S PROCEEDINGS CONDUCTED IN
THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DES CHEMINS DE FER,
CANAUX ET LIGNES TÉLÉGRAPHIQUES

(Page 1254)

M. BEAUDET:

Je, Ernest Laforest, rue Dorion, Montréal, déclare solennellement que:

Durant une période d'au moins 2 ans, soit du premier janvier 1957 au 30 décembre 1959, j'étais à l'emploi de Bélanger Transport Cie Limitée, 1294, rue Ste-Élizabeth, Montréal, comme chauffeur de camion de cette compagnie. Au cours de cette période, le camion de Bélanger Transport Cie Limitée que je conduisais était en location à la United .5¢ to \$1.00 Stores of Canada Limited, 860 Chemin de la Côte de Liesse, Montréal, qui payait toutes les dépenses du camion. Durant cette même période, j'ai plusieurs fois, moi-même personnellement acheté des billets en blocs pour le pont Jacques-Cartier et quelquefois les billets étaient achetés par l'employé de la United .5¢ to \$1.00 Stores of Canada Limited qui voyageait avec moi. Le nom de cet employé est M. E. Cooperman. Les billets que j'ai achetés ou fait acheter par M. Cooperman ont été utilisés exclusivement pour traverser le pont Jacques-Cartier. Le prix de ces billets pour mon camion était de \$4.00 pour 10 billets avant le premier avril 1959 et \$5.00 pour 10 billets après le premier avril 1959. Je crois de plus que mon patron, M. Marcel Leroux, gérant de Bélanger Transport Cie Limitée, n'était pas au courant du fait que j'achetais des billets en bloc pour traverser le pont Jacques-Cartier puisque ces billets étaient payés par la United .5¢ to \$1.00 Stores of Canada Limited qui payait toutes les dépenses du camion.

Et je fais cette déclaration solennelle la croyant consciencieusement vraie, sachant qu'elle a la même force et le même effet que si elle était faite sous serment, sous l'empire de l'Acte de la Preuve en Canada.

Déclaré devant moi, à Montréal, le 31^e jour de mai 1960, R. Mayer, commissaire de la Cour Supérieure, District de Montréal. Témoin: R. Aubertin, "constable".

* * * *

(Page 1262)

M. PIGEON: Excusez, monsieur Beaudet. Est-ce que vous avez l'accroissement des chiffres, l'accroissement du revenu en pourcentage du mois d'avril dernier, cette année?

* * * *

M. BEAUDET: ... Je ne l'ai pas.

* * * *

(Page 1269)

M. PIGEON: Monsieur Beaudet, il a été dit, à une séance antérieure, qu'au pont Jacques-Cartier les machines automatiques étaient souvent défectueuses et qu'on les remplaçait par d'autres machines.

(Page 1269)

M. BEAUDET: Au pont Jacques-Cartier?

M. PIGEON: Au pont Victoria?

M. BEAUDET: Au pont Victoria?

M. PIGEON: Au pont Victoria.

M. BEAUDET: Ah!

M. PIGEON: Alors que les machines étaient défectueuses, il y en avait deux pour les remplacer, et souvent ces deux machines qui remplaçaient les autres étaient défectueuses. Est-ce que ces choses-là se sont produites sur le pont Jacques-Cartier?

M. BEAUDET: Non, pour deux raisons, je crois.

Nous n'avions pas la "condition" de poussière de charbon.

Et deuxièmement, la compagnie avait déjà plus d'expérience avec ces machines, alors qu'elles avaient été déjà en "opération" sur le pont Victoria plusieurs mois.

M. PIGEON: J'aurais une dernière question à poser. D'après vous, monsieur Beaudet, lorsque les péagers, tant du pont Victoria que du pont Jacques-Cartier, ont appris qu'il y avait un nouveau système de perception automatique, est-ce que vous avez constaté, par le nombre d'irrégularités, est-ce que vous avez constaté que les péagers étaient portés à commettre plus d'irrégularités, sachant qu'ils perdraient leur emploi?

M. BEAUDET: On a remarqué des irrégularités pour le pont Jacques-Cartier, je veux parler. Toutefois, est-ce que c'était la crainte de perdre leur travail ou non, je ne pourrais le dire.

M. PIGEON: Mais cela demandait beaucoup plus de surveillance?

M. BEAUDET: Definitely.

M. PIGEON: Merci.

* * * *

(Page 1274)

M. PIGEON: Je n'aurais qu'une question à vous poser... Est-ce que je pourrais poser une question seulement? Monsieur Beaudet, j'aurais une question à vous poser, s'il vous plaît, la dernière. Depuis l'existence du système automatique, avec l'expérience que vous avez, quelles sont les augmentations que vous prévoyez au mois d'août sur le pont Jacques-Cartier, approximativement.

M. BEAUDET: Vous me demandez de regarder dans...

M. PIGEON: A peu près?

M. BEAUDET: ...ma boule de crystal. Je m'attends à ce que l'augmentation soit de plus de 50 p. 100.

M. PIGEON: Je vous remercie beaucoup.

* * * *

(Page 1281)

M. PIGEON: J'ai une dernière question à poser. Je remarque, ici, monsieur Beaudet, que M. Denis a fait plusieurs recommandations pour des péagers. Je vois également qu'il n'a pas été chanceux avec ceux qu'il a recommandés. A la page 98 de "l'évidence". Maintenant, est-ce que M. Denis est intervenu souvent, par lettre ou par téléphone, pour ré-engager ceux qui avaient démissionné ou "résigné" pour cause?

(Page 1281)

M. BEAUDET: Never, Jamais.

M. PIGEON: Jamais. Même par lettre, par téléphone?

M. BEAUDET: Jamais, ni par lettre ni par téléphone.

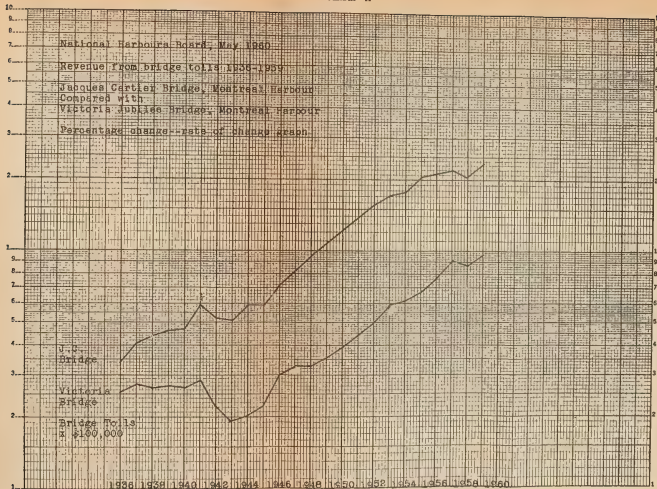
M. CHEVRIER: Par qui?

M. PIGEON: Est-ce qu'il est déjà allé vous rencontrer?

M. BEAUDET: No, never.

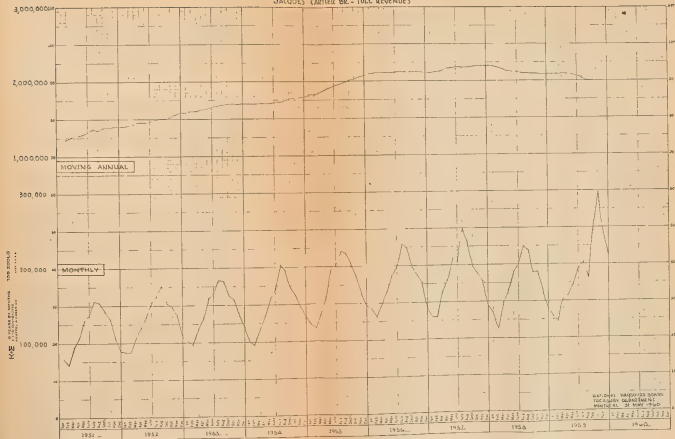
M. CHEVRIER: Par télépathie?

APPENDIX "A"

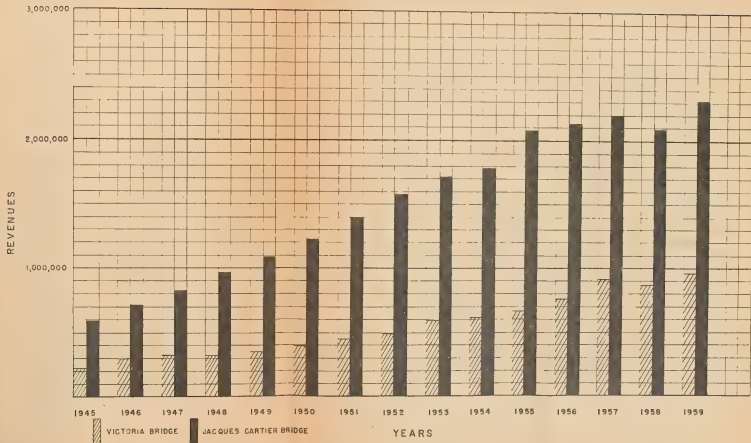


APPENDIX "B"

JACQUES CARTIER BR. - TOLL REVENUES



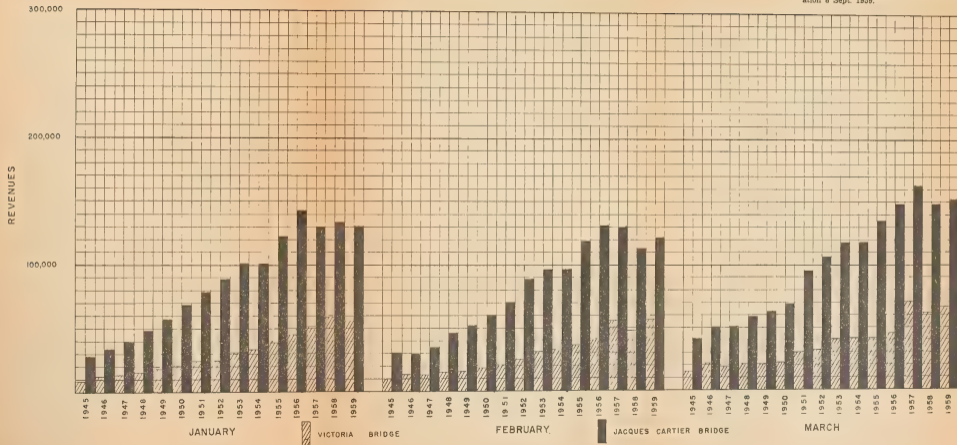
NATIONAL HARBOURS BOARD
MONTREAL HARBOUR
COMPARATIVE REVENUE FROM TOLLS
VICTORIA BRIDGE & JACQUES CARTIER BRIDGE
YEARLY BASIS

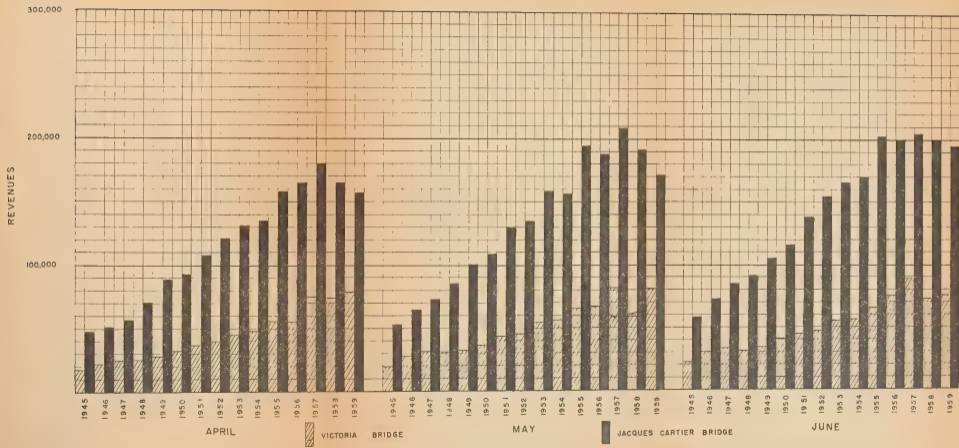


APPENDIX "D"

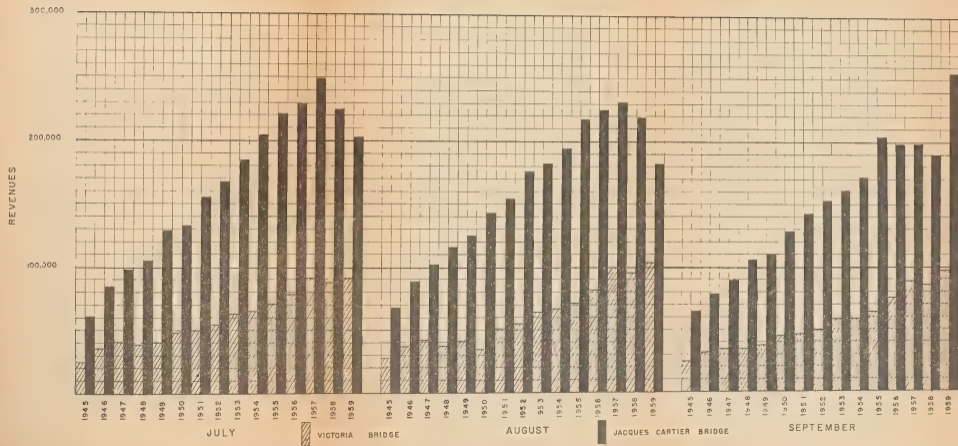
NATIONAL HARBOURS BOARD MONTREAL HARBOUR COMPARATIVE REVENUE FROM TOLLS VICTORIA BRIDGE & JACQUES CARTIER BRIDGE MONTHLY BASIS

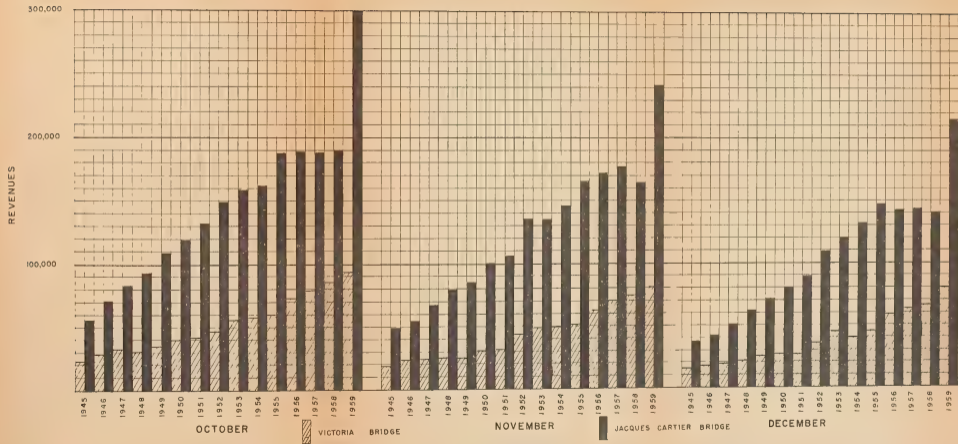
CNR Downstream lane opened to vehicular traffic 6 April 1958.
Automatic toll equipment put in operation 10 May 1958.
NHB 4th. lane opened to traffic 15 June 1956.
5th. lane opened to traffic 10 June 1959.
Automatic toll equipment put in operation 8 Sept. 1959.





APPENDIX "D" (continued)





APPENDIX "E"

NATIONAL HARBOURS BOARD - MONTREAL HARBOUR

JACQUES CARTIER BRIDGE

RECORD OF SALES OF "BLOCK" TOLL TICKETS 1st September 1957 to 31st December 1959

COMPANY	1957	1958	1959	
	Cheque	Cheque	Cash	Cheque
Canadian Oil Companies Ltd.	-	-	1,330.50	-
White Rose	-	-	348.50	-
Supertest Petroleum Corp. Ltd.	640.00	2,240.00	-	2,070.00
Shell Oil Co. of Canada Ltd.	4,865.00	14,285.00	-	13,845.00
Imperial Oil Ltd.	-	3,108.30	-	12,235.00
Sun Oil Co. Ltd.	-	1,433.00	-	5,155.00
Mongeau & Robert Cie Ltée	-	884.00	-	1,697.00
United Auto Parts Ltd.	-	-	80.00	-
Ball Bros. Transport Ltd.	1,940.00	-	-	-
Drummond Welding & Steel Works Ltd.	-	900.00	-	2,000.00
Miron & Frères Ltée	20,604.75	23,236.65	-	20,843.50
Mount Royal Paving & Supplies Ltd.	16,295.00	36,087.50	-	32,737.50
Weston Bakeries Ltd.	5,125.00	17,875.00	-	4,208.00
Hudon & Orsali Ltée	-	-	638.50	-
Wonder Bakeries Ltd.	640.00	1,955.00	-	2,198.50
Laprairie Brick & Tile Inc. (The)	520.00	1,730.00	-	2,595.00
Hydro-Quebec	1,957.50	5,933.00	-	6,974.00
Steinberg's Ltd.	1,719.00	6,593.00	-	1,656.00
Kingsway Transport Ltd.	2,400.00	1,600.00	-	2,325.00
Direct Motor Express Ltd.	-	-	6,273.50	-
Canada Packers Ltd.	-	-	1,538.50	-
Hygrade Containers Ltd.	52.00	286.00	-	-
International Electric Co. Ltd.	-	-	35.00	-
Bélanger Transport Cie Ltée	-	-	71.00	-
Coopérative de Granby	-	-	2,635.00	-
Laurentide Chemical & Supplies	-	960.00	-	4,315.00
Bathurst Power & Paper Co. Ltd.	-	-	305.00	-
Soulanges Cartage & Equipment Co. Ltd.	7,415.00	6,910.00	-	8,960.00
Canada Flooring Co. Ltd.	72.50	397.50	-	247.50
Westmount Moving & Warehousing Ltd.	-	519.00	-	646.00
Smith Transport Ltd.	-	800.00	-	-
Ernest Carrière Inc.	-	-	60.00	-
Legrade Inc.	-	-	126.00	-
United Stores Equipment Inc.	-	-	59.00	-
Cartons Ltd. Paper Boxes	20.00	80.00	-	-
Warden King Ltd.	-	-	94.00	-
Adley Express Co.	-	80.00	-	-
Shop & Save (1957) Ltd. I.G.A.	-	-	550.00	-
Dominion Building Materials Ltd.	150.00	14,145.00	-	345.00
Canadian National Railways	-	2,620.00	857.50	910.00

- NOTES- 1 Record of sales by cheque prior to 1st September 1957, have been destroyed
 2 Record of "cash" sales prior to 1st January 1959, have been destroyed.

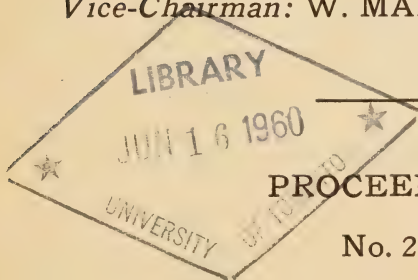
HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960

STANDING COMMITTEE
ON
**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Vice-Chairman: W. MARVIN HOWE, ESQ.



PROCEEDINGS

No. 22

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

TUESDAY, JUNE 7, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

Allmark,	Deschatelets,	McGregor,
Asselin,	Drysdale,	McPhillips,
Badanai,	Dumas,	Monteith (<i>Verdun</i>),
Baldwin,	Fisher,	Pascoe,
Bell (<i>Saint John-Albert</i>),	Garland,	Payne,
Bourbonnais,	Grills,	Peters,
Bourget,	Horner (<i>Acadia</i>),	Phillips,
Bourque,	Horner (<i>Jasper-Edson</i>),	Pigeon,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pratt,
Brassard (<i>Lapointe</i>),	Keays,	Rapp,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Rogers,
Bruchési,	Lessard,	Rynard,
Cadieu,	MacInnis,	Smith (<i>Calgary South</i>),
Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Smith (<i>Lincoln</i>),
Campeau,	Martin (<i>Essex East</i>),	Smith (<i>Simcoe North</i>),
Chevrier,	Martini,	Thompson,
Chown,	Michaud,	Tucker,
Creaghan,	McBain,	Valade,
Crouse,	McDonald (<i>Hamilton South</i>),	Wratten.
Denis,		

Eric H. Jones,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, June 7, 1960.
(35)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day.

Members present: Messrs. Baldwin, Bell (*Saint John Albert*), Browne (*Vancouver-Kingsway*), Chown, Creaghan, Denis, Deschatelets, Drysdale, Fisher, Horner (*Acadia*), Horner (*Jasper-Edson*), Keays, Martini, McBain, McDonald (*Hamilton South*), McGregor, McPhillips, Pascoe, Payne, Rynard, Smith (*Calgary South*), Smith (*Simcoe North*), Tucker and Wratten—24.

In attendance: Mr. J. A. Clément, Superintendent of Bridges, Montreal Harbour; Mr. Walter Smith, Ottawa, Executive Representative, Canadian National Railways; and Dr. P. M. Ollivier, Law Clerk of the House.

In the unavoidable absence of the Vice-Chairman, Mr. W. M. Howe, the Clerk of the Committee called for nominations for an Acting Chairman for the meeting or meetings of this day. Thereupon Mr. Smith (*Calgary South*) moved, seconded by Mr. Chown, that Mr. McBain be Acting Chairman for the meeting or meetings of this day. There being no further nominations, the Clerk declared Mr. McBain elected and he thereupon assumed the Chair.

The Committee resumed its consideration of the toll-collection operations at the Jacques Cartier Bridge and at the Victoria Bridge, Montreal, Quebec.

It was moved by Mr. Baldwin, seconded by Mr. Horner (*Acadia*),

That the Committee do not call any further witnesses at this time nor require the production of any further documents, but proceed to consider and make a report to the House.

Debate ensued during which the activities of the Committee on its main Order of Reference were reviewed. The said motion was carried, on division, YEAS: 16; NAYS: 5.

The Committee then considered the method by which the report to the House might be compiled. It was agreed that a memorandum be sent to all members of the Committee requesting them to submit their suggestions for the report to the Chairman by June 16th, and that the Subcommittee on Agenda and Procedure then meet to compile a draft report.

At 10.22 o'clock a.m. the Committee adjourned to the call of the Chair.

Eric H. Jones,
Clerk of the Committee.

EVIDENCE

TUESDAY, June 7, 1960.
9.30 a.m.

The CLERK OF THE COMMITTEE: Gentlemen, you have a quorum. It is my duty, again, in the unavoidable absence of the vice-chairman, to ask for nominations for an acting chairman for today.

Mr. SMITH (*Calgary South*): I move Mr. McBain be acting chairman for today.

Mr. CHOWN: I second that.

The CLERK OF THE COMMITTEE: Are there any other nominations?

There being none, I declare Mr. McBain acting chairman for today. Would you take the chair, sir?

The ACTING CHAIRMAN: Once again, thank you, gentlemen. I hope our business of this morning can be despatched as speedily as we were able to despatch it last Thursday.

I think for first consideration this morning is the report of your steering committee, and I shall read the report to you.

The subcommittee considered the list of proposed witnesses who had not yet appeared before the committee and agreed to recommend as follows:

1. That on Tuesday next, June 7, there be available for questioning the following proposed witnesses, namely—

Mr. BALDWIN: Mr. Chairman, I wonder if I might make a suggestion at this time? I think this is a report which has been sent to all of us.

The ACTING CHAIRMAN: That is correct.

Mr. BALDWIN: It is a fairly voluminous report, and might I suggest that we dispense with the reading of it?

I would like to make a few comments here and a motion based on those comments, which might well mean that the business today will be despatched even more readily than the business of the last meeting.

I think there comes a time in any proceedings when you can say, "This is it," when you have completed your deliberations and you have investigated as far as you can, and have gone into the matter as far as possible. I think we have done more than that in this particular case. I have been present at nearly all the meetings, and of those I have not attended I have read the proceedings quite thoroughly.

My opinion is that not only should we now bring these proceedings to a close, but that we might well have done so a month ago. I am going to move at this time—and make a few comments on the motion—that we do not call any further witnesses at this time nor require the production of any further documents, but proceed to consider and make a report to the House.

As I have said, we have had a very exhaustive study. The other day I looked into the material and the proceedings, and found occasions where the same question had been asked, re-asked and asked a third time, in little different words, but precisely the same subject matter had been dealt with. I think the situation is a thread that runs through the entire setting of all the hearings at which we have had this matter under review and under consideration. I do not honestly think, on that phase of it which we have considered,

there is anything more useful which can be done by this committee. I want to add as well that if this committee is going to make a report—and it means a thorough examination of these proceedings—I do not know how many there are, 21 or 22 now—I do not know about other members of the committee, but I know I have certain suggestions I want to make as to matters which may well be included in the report. I imagine it is going to take quite some time to run through the proceedings, one by one, and make up the suggestions that I would like to advance, and I am sure other members of the committee feel precisely the same way. After that the steering committee—and I do not know how it is going to do it, but it will have to take into consideration those suggestions, integrate them and amalgamate them, and come up with a report that will have to be submitted. How that can be done without a number of meetings being held is beyond my appreciation.

Finally, there are the other committees which have just recently been set up. I am on two, and I will be on another one which will commence its hearings before too long.

I feel, for those reasons, this motion is one which might well be considered and passed at this time, with your leave. My motion is not that the final report be written, but that a report be written. I understand this is a standing committee and in filing a report you are not *functus officio*, but if it should so happen that, as a result of proceedings now being held in Montreal, and which have been removed from our consideration, further facts are disclosed which might be pertinent, I assume this committee, under its terms of reference, is always in a position to deal with them. I do not include that in my motion, however, but I have a mental reservation that I make at this moment, and I would like that to be considered at the proper time.

Mr. HORNER (*Acadia*): I second that, Mr. Chairman.

The ACTING CHAIRMAN: The matter is open for discussion, gentlemen.

Mr. CREAGHAN: I would like to speak for a moment on it—

Mr. DESCHATELETS: What is the motion?

The ACTING CHAIRMAN: I will ask the clerk to read it.

The CLERK OF THE COMMITTEE: As I have it—

Moved by Mr. Baldwin, seconded by Mr. Horner (*Acadia*), that the committee do not call any further witnesses at this time, nor require the production of any further documents, but proceed to consider and make a report to the house.

The ACTING CHAIRMAN: Is that it, Mr. Baldwin?

Mr. BALDWIN: The language might be improved on, but the meaning is plain.

Mr. DRYSDALE: Should that not be an “interim” report?

The ACTING CHAIRMAN: May I read the reference from the house?

That the said committee be empowered to examine and inquire into all such matters and things as may be referred to it by the house; and to report from time to time its observations and opinions thereon, with power to send for persons, papers and records.

I am advised by our law clerk we would call it the second, third or fourth report of this committee—or whatever number it happened to be.

Mr. DRYSDALE: Just to clarify it, when you say you are going to make a report, I prefer to use the word “interim”; or, if we are going to make our first report, possibly to indicate it is going to be one of a sequence.

Mr. P. M. OLLIVIER (*Law Clerk, House of Commons*): I do not think you should call it an “interim” report, because that term is not used; but if you

call it the "second" or "third" report it will indicate there will be another one. If it was the final report you would call it "the third and final report," but as long as you do not put in the word "final" it is all right.

Mr. BALDWIN: That is exactly why I omitted the word.

Mr. HORNER (*Acadia*): I think Mr. Baldwin has hit the nail on the head. We have 22 printings of proceedings of this committee, or something like that, and I noticed in the last committee meeting, as the meeting proceeded, that Mr. Archer and Mr. Beaudet were answering questions right from the evidence already brought down in the committee. I think we could go on and on, but I think the gist of the investigation of the administration of the bridge has been covered, and it was evident in the last meeting, particularly when the witnesses were answering questions right from the evidence of the committee that had already been covered.

As I say, Mr. Chairman, I think Mr. Baldwin has hit the nail on the head, and I am only too glad to second his motion.

Mr. CREAGHAN: I wanted to speak on the motion, Mr. Chairman. In the first place, I am one of the few people present who has been on this steering committee since it was originally formed. I have missed some of the meetings, but I have looked at the report and recommendation that was presented today, and I cannot support the motion. It was prepared after a lot of consideration by those present.

What I want to say on the motion is that there is one man on this list of witnesses, Mr. Harold Lande, who was chairman of the joint committee of appeal. I proposed his name, to be called as a witness, probably eight weeks ago, but because of his engagements in court and because the chairman wanted a certain amount of continuity we kept putting off his attendance.

The reason I wanted to call Mr. Lande was because I could not agree with his decision which came up and which was the subject of an awful lot of questioning during the committee hearings.

I think, in case the motion should pass—because I understand there are a lot of people who feel we have had enough meetings—I would like to say a few words on his judgment. What I intended to examine Mr. Lande on was whether or not his judgment was sound. I have the various documents in front of me which are pertinent.

In the first place, the grievance, in the case of men being suspended, is referred to in the working agreement between management and the union. It provided for a joint committee of appeal in case a man was suspended. It said each party to the agreement would nominate two people and, if they could not agree on a third, that the Minister of Labour would appoint a chairman. In this case Mr. Lande was so selected.

Article 5 of the agreement said—and I would like this on the record, if I may, and I quote the concluding sentence:

The joint committee of appeal, if any, is not authorized to alter, modify or amend any part of this agreement.

That quotation appears on page 259 of the committee report.

In his judgment, which was the judgment of the appeal committee and which appears on page 87, Mr. Lande, who wrote the unanimous judgment, concluded as follows—and I quote again:

I therefore recommend that the dismissed men be reinstated without retroactive pay and with a loss of seniority, the latter to begin from January 1, 1959.

I do not know how this committee of appeal could come to that conclusion because, in the first place, it is contrary to the working agreement in existence.

The working agreement said that if there was an agreement article V defined it:

Should a charge against an employee be not sustained, he shall be restored to his former position and paid for all time lost.

In this decision the grievances were not sustained and yet there was a loss of seniority and a loss of pay. In other words, somehow or another they came to an agreement contrary to the working agreement. That is the reason I have been insisting in the steering committee that Mr. Lande be called.

It was also suggested by Mr. Fisher and Mr. Johnson that we should probably call the other four members of that committee.

For those reasons I must oppose the motion of Mr. Baldwin, because I still would like the privilege of examining Mr. Lande on how he came to this conclusion.

Mr. FISHER: I would like to support Mr. Creaghan's point of view. So far as calling Mr. Lande is concerned, it seems to me one of the factors in writing the report is: Are we going to criticize the agreement that is in effect, and has been in effect between the port authority and the union? It would seem to me that if the interpretation of Mr. Creaghan has given is the correct one—and I shall not quarrel with it—in effect, the union agreement was a factor in keeping the port authority from taking more stringent action than it did take, in order to protect the government.

For that reason I think it would be well if we heard an explanation from Mr. Lande, to sound out this Solomon decision of his, that seemed to split away from the agreement—it is a saw-off of a kind—just what was in his mind and in the minds of the union officials when they made it, because it seems to me you can argue very easily that decision had a very deleterious effect upon the management of the bridge.

In so far as the one witness I wanted to ask questions of is concerned—and that was the Hon. Pierre Sevigny—if I could explain to the committee, I wanted to ask him the questions I have already asked Mr. Chevrier; and I just thought that I should. My reason for wanting to ask him those questions was just in fairness to the other people who had been questioned. It will not break my heart if he is not here; but, as I say, I thought that he should be called to be asked the same questions.

The ACTING CHAIRMAN: Just before we proceed any further, I am going to ask the clerk to refresh your memory and read to you the names of witnesses who have been heard to date, so you may be aware of those whom we have had as witnesses and what they have represented.

The CLERK OF THE COMMITTEE: The witnesses heard to date, by classified groups, are as follows: Ministers of Transport, past and present—Hon. George Hees, Minister of Transport; Hon. George C. Marler, former Minister of Transport; and Hon. Lionel Chevrier, former Minister of Transport. National Harbours Board—Mr. Maurice Archer, chairman; Mr. B. J. Roberts, former chairman; Mr. R. K. Smith, former chairman; Mr. G. Beaudet, port manager, Montreal harbour; A. G. Murphy, former port manager, Montreal harbour; Mr. J. B. Phair, chief treasury officer; Mr. J. F. Finlay, legal advisor; Mr. J. A. Clément, superintendent of bridges, Montreal harbour; Mr. Alfred Poole, former supervisor of toll-collectors, Jacques Cartier Bridge. Canadian National Railways—Mr. Walter Smith, Ottawa executive representative; Mr. George A. Shea, former director of investigation; Mr. Lionel Côté, assistant general solicitor; Mr. L. J. Henderson, general manager of road transport; Mr. L. J. Mills, comptroller. Officials of trucking firms using the bridges—Mr. James N. Doyle, general counsel and secretary, Steinberg's Limited, Montreal, Quebec; Mr. Jean Girard, general manager, Miron Frères Ltée, Montreal, Quebec; Mr. Albio Bélanger, owner and manager, Bélanger Transport Enr., St. Jean Port Joli, Quebec.

Mr. DESCHATELETS: Mr. Chairman, I have to admit that we have made a thorough investigation, but I do not see any reason why we should stop at this point calling any witnesses, if a member of the committee felt the calling of a witness might throw some more light on the matter. For this reason I would support Mr. Creaghan's remark in connection with the calling of Mr. Lande, and would support the calling of any other witness a member of this committee might wish to call at this time.

Mr. BALDWIN: May I say a word in respect to Mr. Creaghan's statement?

I think it probably has some validity to it, but I am afraid we would be turning ourselves into an appeal tribunal, to hear the report and consider what another appeal tribunal did. I do not think we are empowered to do that.

Reading the recommendation that the steering committee made, it seems to me to constitute more a tone of dignified acquiescence rather than one of enthusiastic endorsement of any suggestion that we call any more witnesses. I feel we have had enough at this time.

The ACTING CHAIRMAN: Is there any further discussion before I put the question?

Mr. DRYSDALE: Mr. Chairman, in support of Mr. Baldwin's motion, from the time he made the motion I have glimpsed through the records very quickly. Mr. Murphy at page 913, Mr. Marler, at page 1080, and Mr. Smith, at page 1122, each stated they had read the evidence of the proceedings that had gone on prior to their testimony. As Mr. Horner (*Acadia*) very succinctly pointed out, the witnesses being called before the committee, especially during the latter part of the proceedings, seemed to be referring more to the previous testimony.

I have had the feeling—as Mr. Baldwin has already suggested—that we have not, in essence, been getting evidence, but we have been getting a condensation or rehashing of the witnesses' interpretation of the previous evidence. For that reason I think we should proceed at this time with the interim report.

I am opposed to Mr. Creaghan's suggestion we call Mr. Lande, because that immediately opens up the difficulties of these matters which are sub judice, and I do not think there is anything to be gained, except a rehash of the arbitration statements. It would be extremely difficult for the members of the committee to walk the fine line between the administrative aspects and the aspects under which the toll collectors are being charged.

For those reasons I think I would support Mr. Baldwin's motion.

The ACTING CHAIRMAN: Before I put the question, I will ask the clerk to read it again, so it is clear in your minds.

The CLERK OF THE COMMITTEE:

Moved by Mr. Baldwin, seconded by Mr. Horner (*Acadia*) that the committee do not call any further witnesses at this time, nor require the production of any further documents, but proceed to consider and make a report to the house.

The ACTING CHAIRMAN: All those in favour?

Mr. DENIS: Does it mean, Mr. Chairman, we cannot call Mr. Sevigny and Mr. Clément? If this motion is granted, does it mean we will not be able to call Mr. Sevigny and Mr. Clément?

The ACTING CHAIRMAN: Not at this time. I am taking the motion as one that we call no further witnesses.

Mr. DESCHATELETS: We decided to call Mr. Clément this morning, and Mr. Clément is here—he is "on deck". He is ready to give evidence and to answer questions. When this motion was put I was under the impression that we would stop the investigation at this point, after hearing Mr. Clément's

statement. But surely it would be a very extraordinary procedure, at this stage, when the witnesses are here, or should be here, that we would be precluded from hearing their evidence. Then this motion could be discussed, after having heard these two witnesses. But surely it should not be at this time, when it was understood and agreed that we should call Mr. Clément.

Some hon. MEMBERS: Question.

The ACTING CHAIRMAN: I should say that I was endeavouring to put the report of the steering committee, or the acceptance of it, before the committee.

As you will recall, the motion was proposed, and it is my understanding that if it is carried any witnesses can be called later on, should the committee so desire—or it could be at the call of the Chair. This is just a procedure to bring in the report.

Mr. DENIS: What is the rush? Why do you have to bring in an interim report now? I would like to know the reason why we should have an interim report at this time. We are sitting when the house is sitting, and we are all available. Why do we not proceed until the end of this inquiry, and then make our final report? We have piles of documents, which have been produced, and I think we should study the testimony of every witness.

Those witnesses—Mr. Sevigny and Mr. Clément, and maybe somebody else—could be called, in order to study, for instance, those charts. We have charts of all kinds. We have charts showing increases and charts showing decreases. None of the committee is expert to come to the right conclusions in the report. It may be that we should call an expert—an accountant or somebody—to get the conclusion for the report.

I think it would be very interesting to have this kind of witness in order to clarify the situation.

I do not see any reason why we should rush this thing by an interim report—unless the mover of the motion will tell us why this interim report should be made at this point.

We don't want to make any politics out of it. On the other hand, I don't want to feel that this interim report, or whatever it is, might influence or might help in a provincial election.

Mr. HORNER (*Acadia*): Oh, that is what you are worried about?

Mr. DENIS: No; but we have something more serious than we think. At least, when they fired 25 of these collectors who are on trial in Montreal—and it is 25 people we are talking about—on which we are going to issue an interim report.

Mr. DRYSDALE: Oh no, we are not issuing an interim report on that at all.

Mr. DENIS: Are we not? When you are going to make your interim report you have to talk about these toll collectors. In your report you have to tell about these toll collectors.

I submit that this interim report is of no value; it is not necessary. We can wait until we finish the whole inquiry, and then we can make a final report—whatever the view of the majority of the committee is.

Mr. DRYSDALE: I would like to make just a comment. Mr. Denis seems to be in conflict. First of all, he says that we should go ahead and make a final report. Then he points out at the same time that there is a trial of the toll collectors in Montreal, which would prohibit a final report.

My understanding of the present report and the present function of the committee—and I will emphasize this, that it is my own understanding—is that it is to look into the administrative aspects, completely clear of the toll collectors. Because during these proceedings we have not called a single truck driver or passenger—unless it was one of the persons who travelled incidentally over the bridge; nor have we called a single toll collector. This is very important to the other aspect of the investigation.

As I understand it, what we are trying to do is to summarize this evidence, which is over 1200 pages—this volume of exhaustive evidence into the administration. For instance there is the financial end, and the history over the years—which I suggest has nothing to do with the alleged irregularities of the toll collectors.

I suggest Mr. Denis has put himself in conflict when he asks on the one hand for a final report and then points out that the matter is sub judice. We do not know when the proceedings against the toll collectors will finish up but, so far the administrative aspect is concerned, that is completely irrelevant. I suggest that you proceed to put the question.

Mr. DESCHATELETS: Mr. Chairman, as I said before, as indicated by the report presented by the clerk of this committee—it was agreed that this morning we would have as witnesses Mr. Clément and Mr. Sevigny. Now, right at the beginning of this hearing, there is a motion—

Mr. SMITH (*Calgary South*): Would you repeat what you said, your interpretation.

Mr. DESCHATELETS: I received on my desk yesterday a letter or a memorandum from the clerk of the committee informing us that the steering committee had decided not to call at this time a certain number of witnesses, but that this morning—

The ACTING CHAIRMAN: Mr. Deschatelets, I do not think the steering committee decided that. It was just a recommendation to this committee.

Mr. DESCHATELETS: A recommendation?

Mr. DRYSDALE: It said that the subcommittee had considered the list of proposed witnesses who had not yet appeared before the committee, and agreed to recommend as follows.

Mr. HORNER (*Acadia*): To the committee.

Mr. DESCHATELETS: Let us say that this is a recommendation from the steering committee to this committee; but that does not change the situation at all—the fact that there was an agreement to call Mr. Clément this morning, and that Mr. Sevigny should be here to answer questions.

We have tried—and I think we have succeeded—to have this committee run as smoothly as possible, sometimes under very difficult and trying circumstances. If this motion is carried, then for the first time some members of this committee would be precluded from putting what they believe are important questions which could throw some light on this investigation. There is no reason that has been given—no satisfactory reason—to support this motion, which would have the effect of excluding from the list of witnesses this morning Mr. Clément and Mr. Sevigny.

Personally, if this motion carries, and since I have asked to have Mr. Clément testify this morning, I do not think I would have anything more to do in this committee, and it is my intention to leave—because I do not wish to be precluded from my rights to ask that a witness answer questions.

There is no rush. There is no reason why we should not hear these two witnesses. That is my feeling. Of course all these matters are in the hands of the committee. If the majority here feel that the motion should carry, well then I will leave.

Mr. BALDWIN: I was invited by Mr. Denis to give some reasons why I have made this motion.

So far as I am concerned, the question of politics does not enter into it at all. The first use of that nasty word has come from another direction. So far as I am concerned, I think I stated my reasons succinctly and clearly, that the committee has exhaustively covered the material available to us respecting the various aspects of the administration of the bridge.

So far as Mr. Clément is concerned, he was here for a number of meetings, and Mr. Deschatelets was also here.

As I look back over the record I can see a lot of questions perhaps I should have asked—questions which I did ask but which I might have framed in a different way. If this were just an academic situation, I would like nothing better than to have the opportunity to go back over the whole of the material and rephrase my questions.

However, if we do that, this proceeding could go on ad nauseam, and I can see no reason why at this time we should not bring it to a conclusion.

Mr. Deschatelets said when he began to speak that we had agreed, and that it was understood. That is not correct. As I understand it, there was a recommendation contained within the four corners of the subcommittee report, and it was because of that that I made my motion, so that the matter could be placed clearly before the committee, and disposed of on that basis.

Then, as to there being no satisfactory reason given, I suggest that is a matter for the committee to decide.

Some hon. MEMBERS: Question.

Mr. DENIS: There are dozens of toll collectors who have been laid off, resigned or dismissed for cause or for inefficiency. Their case has been heard before Mr. Lande, I think—if I am not mistaken.

Mr. HORNER (*Acadia*): Only eight of them.

Mr. DENIS: And those people are in a position to tell to the committee the exact reasons. We have not got the exact reasons why they have been laid off. All we have in the report is that it was for cause or for inefficiency. Speaking generally, most of them—most of the toll collectors—have been re-hired back, losing seniority, and so on. There must be a reason why those toll collectors are still on the job, or waiting to get their positions. I think that in all fairness to everybody, to all concerned, and to these toll collectors, we should be entitled to hear from the tribunal that heard the case respecting each one of them in order that we may know the exact reasons why they were laid off, and the reasons why they are going to be re-hired.

It is only fair to do that, for the sake of those toll collectors. And I say that to stop this investigation now, before we hear this, before we hear from Hon. Pierre Sevigny, who has been called, and when it was understood by the steering committee that he should be called—I do not understand why we should stop this inquiry now.

Mr. DRYSDALE: We are not stopping it.

The Acting CHAIRMAN: No, we are not stopping it.

Mr. DENIS: We are stopping it, because it is suggested that there be an interim report.

Mr. HORNER (*Acadia*): It is the second report.

Mr. DENIS: This is an interim report, and there is no reason for it at all,—no reason at all. The house is still in session. We are all here, and we will be here for at least a month, and I would like to know why you want to get in this interim report.

Mr. DRYSDALE: We cannot examine the toll collectors.

Mr. DENIS: You cannot divide in this interim report what is related to the toll collectors and what is related to the administration.

Mr. DRYSDALE: Why not?

Mr. DENIS: We have been trying to do that since the beginning of this investigation. We have been turning around toll collectors, and every time possible we have Mr. Pigeon talking about inefficiency and scandals. Last

week in the House of Commons we heard Mr. Pigeon refer to the scandal of the Jacques Cartier bridge. If someone wants to put some politics in that, it is not this group that is doing that.

Mr. HORNER (*Acadia*): You seem pretty worried about it anyhow.

Mr. SMITH (*Calgary South*): Mr. Chairman, on a point of order, I would hope that, if we are to continue this discussion, at least the questions would be directed to the chair rather than to members of the committee, so that at least we could hear what the evidence is at this point.

Mr. DENIS: If you want to end this inquiry without calling the witnesses we were supposed to call, I think I will do the same thing as Mr. Deschatelets.

Mr. SMITH (*Calgary South*): Mr. Deschatelets suggested there was an agreement that certain witnesses would be called, and that if this motion is passed he would take his marbles and go home and play a game. The report of the steering committee is a recommendation, and the committee makes its own decision as to the course it will follow. The committee has not taken that decision, although I expect it intends to do so very shortly. I would suggest there has been a great deal of consideration given to the evidence. Mr. Deschatelets says he will leave if he does not get his way, and will not take any further part in these proceedings. He may have a reputation for this; I do not know. It may not be the first time he has taken these tactics.

Mr. DESCHATELETS: I would like to assure my friend Mr. Smith that this in fact is the first time that I ever suggested I would leave a committee; but if I do so it is because I feel that I am being denuded of a right and privilege which I should have, and a right which has been understood. I do not want to say anything more than what I have just said; but it is my intention that if this takes place I will leave, and one of these days I surely will argue on that and let the chips fall where they may.

Mr. HORNER (*Acadia*): Let the marbles roll where they will!

Mr. FISHER: I would like to reiterate that I will vote against the motion, but not generally for the reasons Mr. Deschatelets and Mr. Denis have put forward. I do think, however, that any member should have the right to call and to question a witness until such a time as the other members of the committee feel the proceedings are being obstructed. I do not feel that Mr. Creaghan, in asking for Mr. Lande and wanting to question Mr. Clément, or myself in wanting to question Mr. Sevigny, have reached the stage that we are being obstructive. For that reason I intend to vote against the motion.

Mr. CREAGHAN: I would like to reiterate what Mr. Fisher already has stated. I was the first one to speak against Mr. Baldwin's motion, that we not call any more witnesses. I think the motion should be defeated. Like Mr. Fisher, however, I will stay with the committee until we have a report prepared for the House of Commons.

The ACTING CHAIRMAN: I will put the motion now. I will ask the clerk to read it if you wish. Do you wish it read? Is it clear enough?

Mr. HORNER—(*Acadia*): Dispense.

The ACTING CHAIRMAN: Will all those in favour of the motion please raise their hands.

Thank you, gentlemen.

All those contrary?

I declare the motion carried.

Mr. HORNER (*Acadia*): Let him gather up his marbles. Mr. Denis is going too.

Mr. McDONALD (*Hamilton South*): I move we adjourn.

The ACTING CHAIRMAN: Gentlemen, I am assuming that the question now before the committee is how do you wish this report to be prepared. I think the committee would welcome suggestions.

Mr. FISHER: I would like to suggest that we take our time in preparing the report and do not set some immediate goal for ourselves. I would like to suggest that you be constituted as the chairman who will look after this. It seems to me you are acting just on an ad hoc basis today. We should assume that you would be the central point and that you would give a certain time, perhaps ten days, for the members to present an outline in draft form and then let the steering committee get together on that.

I do not feel there is any compulsion on us to rush our report. I would suggest that you be the clearing place for any member to present his suggestions within about ten days time, and that the steering committee then meet together to look over what has been turned in and begin to develop the report.

Some hon. MEMBERS: Agreed.

The ACTING CHAIRMAN: Are there any further suggestions? If not, I take it that the committee is in agreement.

Mr. SMITH (*Simcoe North*): Following Mr. Fisher's idea, I would suggest that the steering committee meet a week from Thursday—that would be nine days—by which time any individual member who wishes would have had an opportunity to make a submission. At the meeting of the steering committee a week from Thursday the submissions from the members could be considered and they could start writing the report.

The ACTING CHAIRMAN: Are you suggesting that the steering committee meet, or the whole committee?

Mr. SMITH (*Simcoe North*): The steering committee should meet a week from Thursday by which time all members should have had time to make any submissions in respect of the report.

Mr. CREAGHAN: Could the clerk of the committee read out the names of the members of the steering committee. We may not even have a quorum.

Mr. DRYSDALE: There are four right here.

The CLERK OF THE COMMITTEE: The steering committee is comprised of the following: Messrs Chevrier, Creaghan, Deschatelets, Drysdale, Fisher, Johnson, McGregor and the chairman.

Mr. CREAGHAN: We have lost one member of the steering committee. Would Mr. Tucker volunteer to represent his party? We at least should have two from that fine party on the steering committee, if we are to bring out a report acceptable to the committee.

Mr. DRYSDALE: Mr. Deschatelets just said he would think the situation over. I would suggest that you send out a letter to the members of this committee, perhaps for the benefit of Mr. Denis and Mr. Deschatelets who have decided to walk out on us, indicating that you are prepared to receive comments and suggestions in connection with the report. I think perhaps there are some persons who are not here today who would not know about that.

The ACTING CHAIRMAN: That is a good suggestion. Each member will be notified and invited to present his suggestions.

I take it you are prepared to adjourn and are agreed that the steering committee will meet a week from Thursday.

Thank you, gentlemen.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960

STANDING COMMITTEE

ON

**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Vice-Chairman: W. MARVIN HOWE, ESQ.

PROCEEDINGS

No. 23

Bill C-72, An Act respecting the Construction by the Canadian National Railway Company of certain railway terminal facilities at and in the vicinity of the City of Toronto.

TUESDAY, JUNE 14, 1960

WITNESSES:

Hon. George Hees, Minister of Transport; *of Canadian National Railways:*
Messrs. N. J. MacMillan, Q.C., Executive Vice-President; J. L. Cann, Project Director, Toronto Terminal Project; and J. D. Hayes, General Superintendent, Southern Ontario District; and Mr. Frank McGee, M.P.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE

ON

RAILWAYS, CANALS AND TELEGRAPH LINES

Vice-Chairman: W. Marvin Howe, Esq.
and Messrs.

Allmark,	Deschatelets,	McGee,
Asselin,	Drysdale,	McGregor,
Badanai,	Dumas,	McPhillips,
Baldwin,	Fisher,	Monteith (<i>Verdun</i>),
Bell (<i>Saint John-Albert</i>),	Garland,	Pascoe,
Bourbonnais,	Grills,	Payne,
Bourget,	Horner (<i>Acadia</i>),	Peters,
Bourque,	Horner (<i>Jasper-Edson</i>),	Phillips,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pigeon,
Brassard (<i>Lapointe</i>),	Keays,	Pratt,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Rapp,
Bruchési,	Lessard,	Rogers,
Cadieu,	MacInnis,	Rynard,
Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Smith (<i>Calgary South</i>),
Campeau,	Martin (<i>Essex East</i>),	Smith (<i>Lincoln</i>),
Chevrier,	Martini,	Smith (<i>Simcoe North</i>),
Chown,	Michaud,	Thompson,
Creaghan,	McBain,	Tucker,
Crouse,	McDonald (<i>Hamilton South</i>),	Valade,
Denis,		Wratten—60.

Eric H. Jones,
Clerk of the Committee.

ORDER OF REFERENCE

HOUSE OF COMMONS
TUESDAY, June 7, 1960.

Ordered,—That Bill C-72, An Act respecting the Construction by the Canadian National Railway Company of certain railway terminal facilities at and in the vicinity of the City of Toronto, be referred to the Standing Committee on Railways, Canals and Telegraph Lines.

Attest.

LÉON-J. RAYMOND,
Clerk of the House.

ORDER OF REFERENCE

HOUSE OF COMMONS
WEDNESDAY, June 8, 1960.

Ordered,—That the name of Mr. McGee be substituted for that of Mr. Fraser on the Standing Committee on Railways, Canals and Telegraph Lines.

Attest.

LÉON-J. RAYMOND,
Clerk of the House.

REPORT TO THE HOUSE

THURSDAY, June 16, 1960.

The Standing Committee on Railways, Canals and Telegraph Lines has the honour to present the following as its

TENTH REPORT

Your Committee has considered Bill C-72, An Act respecting the Construction by the Canadian National Railway Company of certain railway terminal facilities at and in the vicinity of the City of Toronto, and has agreed to report it without amendment.

A copy of the Minutes of Proceedings and Evidence relating to this Bill is appended.

Respectfully submitted,
W. M. HOWE,
Vice-Chairman.

MINUTES OF PROCEEDINGS

TUESDAY, June 14, 1960.

(36)

The Standing Committee on Railways, Canals and Telegraph Lines met at 3.30 p.m. this day, the Vice-Chairman, Mr. W. M. Howe, presiding.

Members present: Messrs. Baldwin, Browne (*Vancouver-Kingsway*), Campbell (*Stormont*), Chown, Crouse, Drysdale, Fisher, Horner (*Jasper-Edson*), Howe, Kennedy, Martini, McBain, McGee, Mc Phillips, Pascoe, Rapp, Rogers, Smith (*Calgary South*), Thompson and Wratten.(20)

In attendance: The Honourable George Hees, Minister of Transport; and of *Canadian National Railways:* Messrs. N. J. MacMillan, Q.C., Executive Vice-President; P. Taschereau, Q.C., Solicitor; J.L. Cann, Project Director, Toronto Terminal Project; J. D. Hayes, General Superintendent, Southern Ontario District; and Walter Smith, Ottawa Executive Representative.

The Committee proceeded to consider a Public Bill, namely,

Bill C-72,—An Act respecting the construction by the Canadian National Railway Company of certain railway terminal facilities at and in the vicinity of the City of Toronto.

On Clause 1

The Chairman called on the Minister to introduce the officials of Canadian National Railways who were in attendance. Mr. Hees, having done so, Mr. MacMillan was called. He explained the purpose of the Bill, in part with the use of a map and a chart. Mr. Cann and Mr. MacMillan were questioned on matters arising from Mr. MacMillan's statement.

Mr. Frank McGee, M.P., a member of the Committee, spoke on the views of persons of the area who would be affected by the proposed terminal facilities; he was questioned thereon.

Mr. C. A. Cathers, M.P., being present but not being a member of the Committee, by agreement, was permitted to participate in the proceedings.

At 5.48 o'clock p.m. the Committee adjourned until 8.00 o'clock p.m. this day.

EVENING SITTING

TUESDAY, June 14, 1960.

(37)

At 8.25 o'clock p.m. the Committee resumed its consideration of Bill C-72, the Vice-Chairman, Mr. W. M. Howe, presiding.

Members present: Messrs. Browne (*Vancouver-Kingsway*), Campbell (*Stormont*), Campeau, Crouse, Drysdale, Grills, Horner (*Jasper-Edson*), Howe, Kennedy, Martini, McDonald (*Hamilton South*), McGee, Pascoe, Phillips and Pratt.—(15)

In attendance: The same as at the afternoon sitting of this day.

Mr. MacMillan, being still before the Committee, answered questions which had been asked of him at the afternoon sitting of this day.

At 8.27 o'clock p.m., the bells having rung to summon Members to the House, the Committee recessed.

At 8.50 o'clock p.m. the Committee reconvened.

Members present: Messrs. Browne (*Vancouver-Kingsway*), Cadieu, Campbell (*Stormont*), Campeau, Chown, Drysdale, Fisher, Grills, Horner (*Acadia*), Horner (*Jasper-Edson*), Howe, Kennedy, Martini, McDonald (*Hamilton South*), McGregor, Pascoe, Phillips, Pratt and Wratten.—(19)

In attendance: The same as at the opening of the evening sitting of this day.

Mr. MacMillan continued his answering of questions which had been asked of him at the afternoon sitting of this day and, generally, on matters arising from the consideration of the Bill.

It was agreed that a reproduction of the map of the area north of Toronto, which had been before the Committee, be reproduced as an appendix to the proceedings of this day. (*See Appendix "A" hereto.*)

On clause by clause consideration of the Bill

Clauses 1 to 10 inclusive, the Schedule, the Title and the Preamble were severally adopted; the Bill was carried without amendment.

Ordered,—That the Chairman report Bill C-72 to the House without amendment.

On motion of Mr. Chown, seconded by Mr. Drysdale,

Resolved,—That 750 copies in English and 250 copies in French of the proceedings of the Committee on Bill C-72, be printed.

At 9.35 o'clock p.m. the Committee adjourned to the call of the Chair.

Eric H. Jones,
Clerk of the Committee.

EVIDENCE

TUESDAY, June 14, 1960.

The VICE-CHAIRMAN: Gentlemen, I see a quorum.

We have to consider today bill No. C-72, which is an act respecting the construction by the Canadian National Railways Company of certain railway terminal facilities at and in the vicinity of the city of Toronto.

As this bill is being sponsored by the Minister of Transport I would ask if he has anything to say, and if he would introduce to you the witnesses that we have here from the C.N.R.

Hon. GEORGE H. HEES (*Minister of Transport*): Thank you, Mr. Chairman. I do not think there is anything further I want to say. I made an introductory statement when the bill was introduced in the House of Commons and I do not have anything to add to that. I would like to introduce Mr. Norman MacMillan, the executive vice-president of the C.N.R. who is sitting at the table with us. Mr. MacMillan will introduce any other witnesses that are called.

Mr. N. J. MACMILLAN, Q.C. (*Executive Vice-President, Canadian National Railways*): Thank you Mr. Minister.

Mr. Chairman and gentlemen may I at the outset express the appreciation of the management of the Canadian National Railways for this opportunity to explain the Toronto project to you.

I would like, as a point of beginning, to make a few general observations regarding the bill. I do this because I think it will give you a better understanding of what our request is and to clear up some questions which have already been asked about it.

In the first place, the bill embraces some works which we are now at the moment empowered to proceed with. This is somewhat a departure from the normal procedure, but they were included for two reasons. In the first instance the hump yard is not a project about which we are required to come to parliament. It is a construction, in so far as the corporate authority is concerned, which is already embraced by the Canadian National Railways legislation. However, in 1929 a similar development began in the city of Montreal. At that time we collected into one set all the works in contemplation that were authorized as a single project, and they have been proceeded with under that legislation ever since. We felt that since the Toronto project was similar to the Montreal project it was desirable to follow the precedent.

The second reason is that the main requirement in this situation is to build a yard. The access lines are merely the means to the end, being the yard. To consider the lines without a yard being associated with them was not correct, they were one and the whole entity, so in frankness they all should be put before you as one package.

Now then, bearing in mind that legislation, in so far as the technicalities and requirements are concerned, it embraces only the want of the authority to build the rail line, but we have the yard and the lines together so that the whole project would be here.

If I might take just a couple of minutes to explain some of the sections of the legislation, I would begin with section 2 which is almost identical in language to the language we used in the branch lines bills. It empowers the governor in council to authorize us to proceed. This is where we get the corporate authority to build. This is where we get the franchise, if you wish, to build the lines and railway. That section is to be read in conjunction with

section 9, which is toward the end, and which requires the general plans to be approved by the governor in council upon the recommendation of the minister.

You will notice that section 3 is similar to that which appears in all of our legislation, requiring the company to adopt the principles of competitive bids, and that we can accept any other bid if the circumstances so require it.

Section 4 at the top of page 2 puts the upper limit on the cost of the work, and it is referred to by identification with the schedule at \$87 million plus an overrun of 15 per cent. This, you will recall, is something that appears always in our branch line construction legislation.

Sections 5 to 8 are the financing sections. About these I wish to say a few words particularly. These sections are identically the same as those which have appeared in every branch line with which I have had any experience over the last 20 years, but they have never been used. All of our financing, by arrangement with the finance department, is consolidated in our annual budget. We do not use these sections and I imagine they are merely continued year after year in bill after bill as greater security or availability in times of emergency.

Section 5 is the one in which the issuance of securities is authorized. That puts an upper limit of \$100 million on it. This is the \$87 million plus, just under 15 per cent. The \$87 million plus the 15 per cent would make up the \$100 million.

Section 6 gives the Minister of Transport the authority to make loans.

Section 7 authorizes the Governor in Council to guarantee the securities.

Section 8 is the provision which stipulates that the cash flowing from the sale of the security shall be deposited to the credit of the Receiver General.

Section 9 I mentioned in the beginning.

Section 10 is the requirement for us to make our annual report to parliament.

Now, the schedule is really the place in which you may have more interest.

The first section of the schedule gives a very short description of the hump yard. A hump yard, gentlemen, is merely what its name implies. It means a freight yard with a hill in the centre of it, and the gravity from the hill is used to marshall cars.

The pull back track, which is referred to in the last few words, is again a track that we pull the trains back on before they are shoved up over the hump.

Section 2 is in respect of the access line from the east down in the vicinity of Pickering township, and it gives a general description.

Section 3 covers the access line from the west, west of Malton. I should say here that at the present time we have in contemplation utilizing the existing rail that is there, on the Danforth subdivision from Georgetown and the Malton subdivision to the main line at Oakville, but there are operating problems to be resolved before these two subdivisions can be utilized. At the present moment these may be difficult to resolve, and for that reason the legislation empowers the governor in council to permit us to develop an alternate route if this proves desirable.

Section 4 is the diesel engine shop which is just exactly what its name implies.

Section 5 is a general description of the general facilities in the yard. These include grade separations, and in this connection I could tell you that on the projected lines there are many crossings. There are three crossings of the C.P.R. which will be fully divided, or separated as we call it. There are six crossings of Kings highways which again will be divided. There are 17 crossings of county roads or township roads which will be divided.

Mr. McGEE: Could I just ask you how many of those crossings of the Kings highways and so on occur east of Yonge street?

Mr. MACMILLAN: I can get that information for you.

Mr. J. L. CANN (*Project Director, Toronto Terminal Project, Canadian National Railways*): There are four Kings highway crossings east of Yonge street.

Mr. CHOWN: While we are on this point and in view of the fact that we have had an interruption anyway, what do you mean by "divided"? Would you explain that term a little more?

Mr. MACMILLAN: Yes. You see, where the railway and the highway come together at the same elevation we have a level crossing; and where we raise the railway or depress the highway, or in reverse, we divide the highway with either an overpass or an underpass, in some way or another, and destroy their meeting at the same elevation, we then have a separation or a divided crossing.

In addition to that there are four roads which will be closed; there are six roads which will be diverted. There are a few other roads and road allowances the treatment of which has not as yet been determined.

Mr. McGEE: How many of those occur east of Yonge street?

Mr. CANN: In which class, sir?

Mr. CHOWN: How many are closed or diverted east of Yonge street?

Mr. MACMILLAN: Would it be helpful if we gave you an actual list of these crossings? We could do that. We could give you all of the roads affected on the entire route with the disposition that will be made of them in so far as we know now.

Mr. CHOWN: Would it be possible perhaps to give us a description using this map? I presume it is here for that purpose.

Mr. MACMILLAN: It is not really here for that purpose and its scale is a little on the small side to determine some of these things. We wish to be helpful and we will produce a list of what we plan to do about them.

I was going on to say that these roads are the topic of special conversations between the township authorities involved, the metropolitan planning board and our own planning engineers who will reach a conclusion as to what is to be done. This, of course, is all subject to the order of the board of transport commissioners. They are the final authority in all matters of level crossings.

Section 7 is just a general section regarding terminals and the local facilities.

Section 8 is a section in regard to varying and changing the function of the existing yard from a main to a holding yard.

The last item on the schedule is the estimated cost of \$87 million.

The \$87 million is to be divided as follows: \$43 million for the yard and \$44 million for the access line. This money will be included in our annual budgets in succeeding years in these amounts; in the 1959 budget we had an item of \$5,200,000; in the 1956 budget there was an item for \$8 million. Now both of those are in respect of the acquisition of land. There has been no work whatsoever done on any portion of this project. The two items cover land and engineering and planning expenses.

The first work, if the legislation is approved, will be commencing about 1961. At that time expenditures are anticipated to be of the order of \$5,425,000. The main year of the work will develop in 1962 when the contemplated expenditure will be \$8 million and the biggest year will be 1963 when there will be \$28,450,000 spent. In 1964 it starts to level off at \$19,850,000 and in 1965 the work will be virtually complete with the cleanup item presently estimated at a cost of \$1,900,000 yet to be done.

Just as an aside on this matter, we presently estimate that the direct labour content of this work is something of the order of \$21 million in wages.

Now, before I go to the maps are there any questions that I might answer at this moment?

Mr. McGEE: I wonder if you could determine and place a dollar valuation on the portion of the line, in very rough figures, from Yonge street east to the Scarboro boundary?

Mr. MACMILLAN: I am told it is \$14 million, Mr. McGee.

Mr. McGEE: Well, from the appearance of the map it would appear to be more than that, in view of the figure of \$44 million for the lines. Certainly that portion would appear to be better than half of the projected line.

Mr. MACMILLAN: Yes, it looks like that, does it not?

Mr. CANN: It is about 14 miles through there, Mr. McGee, and the total length of the new construction from the Oshawa subdivision over to Malton is about 34 miles. In addition there is a certain amount of work required on the Danforth subdivision from Malton to Georgetown and in the Malton subdivision from Georgetown to Burlington, to put this in shape for traffic. This is included in the overall figure of \$44 million.

Mr. CHOWN: I have a question in regard to section 3.

The VICE-CHAIRMAN: Mr. Fisher is next, Mr. Chown.

Mr. FISHER: I understand that the road west of the yard is not definitive as yet, but that the road east is?

Mr. MACMILLAN: It is definitive to that point where the broken line meets the solid red line, which is roughly in the vicinity of Malton. From there to the west is still undecided.

Mr. FISHER: Can you set out briefly the projections that you had to the particular roads? Were the projections focused on each side of the yard or were they mainly to the east side?

Mr. MACMILLAN: Would you let me deal with this now? I would like to give you these details first and come back to that later, if that would be all right.

Mr. FISHER: That is fine with me.

Mr. McGEE: You mention the figure of \$21 million in regard to direct labour. What would this figure mean in relation to man-years or some other evaluation of the number of persons who would be employed on this project? Is there such a figure as a man year for the job, or some other figure along those lines?

Mr. MACMILLAN: I suppose this question is capable of answer but unfortunately we cannot answer it now. We would be very happy to give you an estimate of it.

Mr. McGEE: You mentioned the direct labour cost.

Mr. MACMILLAN: Yes.

Mr. McGEE: You implied that this project would employ a number of people over some projected period of time. What number of men per year did you have in mind?

Mr. CANN: I do not think we could answer that at this time. The number will start very small and will of course increase as our total capital expenditures approach the end of the project. Offhand I cannot give you any figures for the total number at the peak period. The number, of course, will not rise and go straight across and then down; it will rise and taper away.

Mr. CAMPBELL (*Stormont*): There will probably not be a great number involved. In this day the heavy construction involves mainly machinery. I read the other day a statement made by Mr. Winters who was the Minister of Public Works in regard to the Camsell causeway when he stated that heavy

construction did not involve more than 150 men, and this was done at a cost of \$23 million.

Mr. CANN: That is very true, sir; however on this project there is a lot of work that still must be done by manpower.

Mr. CAMPBELL (*Stormont*): Ther will be more hand work involved?

Mr. CANN: That is true. In terms of moving earth and so on your suggestion is true. There will be machines with a driver running them, but it will not be in proportion to the amount of dirt that is going to be moved.

Mr. CAMPBELL (*Stormont*): This will not be comparable to a similar project carried out in the days when drag scrappers and wheel-barrows were used?

Mr. CANN: That is quite true.

Mr. McGEE: Presumably this direct labour figure of \$21 million represents wages paid to individuals on jobs?

Mr. MACMILLAN: Yes, that is right.

Mr. McGEE: Perhaps this could be translated into, as I suggested, man-year jobs.

Mr. MACMILLAN: Let us do a little work on this for you, Mr. McGee, and we will send that information up to you.

Mr. CHOWN: I do not know whether it is your intention to discuss this section by section at this time.

Mr. MACMILLAN: We will later, yes.

Mr. CHOWN: I will defer my questions until then.

Mr. WRATTEN: Mr. Chairman, is the object of putting this line and yard in to consolidate operations, or is there going to be some saving?

Mr. MACMILLAN: I am going to get to that right now.

Mr. WRATTEN: Another question I would like to ask, too, is this: is the Department of Highways going to approve of your overpasses and underpasses, as to width, hump, and so on?

Mr. MACMILLAN: They are all determined in concert with the Department of Highways.

Mr. WRATTEN: Did you have anything to do with putting in the by-pass that went around Brantford, about 20 or 30 years ago?

Mr. MACMILLAN: No, I am afraid I did not. I am not familiar with that.

Mr. WRATTEN: Whoever designed that did not have too much of an eye for putting in bridges, and so on, because you built a hump there and you are not wide enough. I was wondering if anyone was going to have supervision this time, to make sure that you put in a different size road and a decent sized bridge, to go over the tracks?

Mr. MACMILLAN: The railway, in the building of any crossing of a highway is subject to the supervision and approval of the board of transport commissioners. The owner of the highway—be it the province, a municipality or county—is likewise a party of interest. The track owners are the railway and they collaborate with the operator of the roadway. They work out the design structure, and take it to the board of transport commissioners for approval. There are very few instances in which there is any lack of agreement as to the type of crossing or form. This is particularly the case with regard to crossings, level crossings, which are of some age, where the pattern of the traffic is known and the capacity of the grade separation can be determined with some accuracy.

Mr. WRATTEN: What I was concerned about, Mr. Chairman, was that I hope there has been a good deal more planning going into this spurline than there was in the cutoff going around there, because they spent some considerable

amount of money and time and put the cutoff in, and it was never used, and has been sitting there for years and has grown up in weeds and scrub trees, and, as a consequence, is certainly no ornament to the city of Brantford. Finally, a few months ago, it was acquired by the city for a highway.

Mr. MACMILLAN: I think this one will be used.

Mr. WRATTEN: It needs to, at \$87 million.

Mr. MACMILLAN: Yes.

I have here, Mr. Chairman, a general map, and I apologize for the size of it, but hope you can still see a little of it. On here we have shown the major terminals and yards that have been rehabilitated or built in the last few years, those which are now in the course of construction and one or two small ones that have yet to be developed.

The purpose of this is to demonstrate the extensiveness of the yard program that is under way, and to point out to you that in terms of realizing the greatest return from the expenditures made in other locations, we ought to go on with this Toronto project.

This is just a question of carrying through from the point of origin of traffic to its ultimate destination, or delivery to the consignee, as quickly as possible. Also this map does give you a fairly decent indication of what the particular problem is in Toronto, generally. In that part flows the traffic to and from Montreal, and points to the east, and to the maritimes; part of it flows in and out of Toronto to and from the northwest, being the main line to Winnipeg, and a very large segment flows in from the United States, through Sarnia and Windsor, Niagara Falls and, of course, reverses in the other direction. So, there are three principal routes being used into and out of Toronto, and that really explains the enormous concentration that takes place there.

Looking at the big plan that is over here on this easel: this is Lake Ontario, down at the bottom. Oshawa is here; Oakville is on the other side. The yellow boundary shows the boundary of metropolitan Toronto. The city of Toronto proper is about in this line. The scale of the map is half a mile to the inch.

Railway-wise, metropolitan Toronto and the Toronto terminals embrace all of that large slice within about ten miles of the hub of the city. We have roughly 100 miles of main line track going in. We have roughly 362 miles of branches, sidings and yard tracks, within that circumference, being about half the circle.

When the traffic comes in on the Oakville subdivision, which is this red line, being the main line from Sarnia and Windsor, and through which all of the United States stateway traffic flows. This is a very old piece of track. It was completed in 1855, and it was built by a company called the Hamilton-Toronto railway company, which subsequently passed into the hands of the Grand Trunk.

Moving up and around the hub of the wheel as it were, you next come to the Brampton subdivision. This was completed in 1856 by the Grand Trunk itself. This line carries the traffic coming in from Stratford and Guelph. Related to the Oakville traffic this is not nearly as dense.

The next one is the Newmarket subdivision. This is the main road to North Bay, and it carries all the traffic to and from northern Ontario. It again is of antiquity and was built in 1853 by the Ontario, Simcoe, and Huron Union Railroad.

This is the Bala subdivision. This is an old Canadian Northern Ontario line, and is by far the youngest of them, being built in 1906. This is the route followed primarily for traffic destined to western Canada, and crosses this one at Wasaga, about 100 miles north of the city.

Next is the Uxbridge subdivision, carrying traffic to and from Lindsay and Peterborough.

The next is the Oshawa subdivision. This is the main line to and from Montreal and the Maritimes.

All this traffic—as you will see from this sketch, and I hope you all can—comes into a bottle-neck between the Don river, here, and Bathurst Street. Located there also is the Toronto Union Station. All of our freight services in these six subdivisions, all of our passenger trains coming into and going out of Toronto, all passenger trains of the C.P.R. coming into and out of Toronto, must pass through that little segment of railway.

That is the basic explanation of the problem of congestion and train movements in the city of Toronto.

In addition to these through trains, located in this end and, for that matter, some along the eastern end, there are railway facilities south of the track towards Lake Ontario, and railway facilities north of the track, which must be serviced. The principal one north of the track is the Simcoe Street freight shed of the C.N.R.

The result is that in addition to the freight service there are many cross-over movements that must be made right at Bathurst Street. This tends to very bad congestion. We have had as many as 525 trains and engine movements through Bathurst Street in 24 hours, and it is not at all exceptional to have trains standing waiting their turn to pass through this particular segment of the railway.

As many as eight trains are sometimes backed up, waiting the opportunity to get through. All of this creates one segment of our main problem. It is congestion which slows up the movement. Freight is the greatest cause of this congestion. In Toronto, in so far as yards are concerned, freight is handled at four main yards. Starting at this side, we have Mimico, which is this one, Bathurst, which is the next one, the Don yards, which are here, and the Danforth yard which is here. These are what we call main yards, and the significance of that is that we make up trains for the road at this point. We break up trains which have come in at this point. Having broken them up at this point the traffic and engines are broken away and move for local distribution to Scarboro, Leaside, Downsview and West Toronto. Again, in the reverse movement, these yards make the original connection, very largely but not exclusively, because traffic from here is connected in Mimico, but these are the ultimate points. You will appreciate what are the back and forth movements that arise as a result of these eight yards being required to do our work. They are totally inadequate and have been inadequate to handle the traffic over a considerable period of years. I can tell you that back as early as the war years and the immediate post-war years, the question of yard facilities in Toronto was receiving much attention. The congestion has been so great on occasions that we have had to move trains out of here, back as far as Belleville, Stratford and Allandale to be switched and broken up. This is, of course, a very uneconomical and undesirable movement to have to make.

There are various solutions to the problem. One solution would be to take the existing yards and very radically to extend them and hope that would look after the problem. It has been examined two or three times. It was determined that this could be done. It would buy time; but it was a most undesirable principle to follow because it would not resolve these requirements of the future, nor would it reduce the congestion of the throat between the Don yard and Bathurst. Furthermore, the cost of extending these yards would in all likelihood equal the cost of building a new yard, and within 20 years the added capacity built into the yards today would have been exhausted, and the problem with which we are faced today would be encountered then, but the opportunities of resolving it intelligently and economically at that time would be absent.

The other solution—and the one we favour—is the construction of a consolidated, new yard, of a hump design. In pursuing this program there were, accordingly, two problems to be resolved. One was to relieve congestion in the Don river and Bathurst street area, and to build a new freight marshalling yard.

Since as I told you in the beginning the yard was the primary requirement, the location of the yard was the logical point to begin, and for reasons which I have given to you we had located it in a manner which would obviate the need of the traffic flowing through Bathurst street.

The facts entering into the location of the yard were these: the location should be one requiring the minimum back haul of incoming and outgoing traffic from various subdivisions.

Implied in that is simply that we should not go past the location of them, and to have to bring the traffic back, and that the yard should be centered enough so that the movement into the city was broken on the way in rather than having a back haul movement employed.

Our studies indicated that a site close to the west of the Newmarket and Bala subdivisions was the proper one, and this was because through traffic from the Oakville subdivision or the Oshawa subdivision which border upon the lakeshore would have to be carried the same distance in any event, and it would not influence the location of the yard at all.

The Brampton subdivision carried little through traffic, and that is why we thought they were not an important factor in the location of the yard, and that the prime consideration flowed from the traffic which used the Newmarket and Bala subdivisions. And that it would work best of all if that was the way it was.

The second consideration was that the yard should be as close to metropolitan Toronto as it was reasonable to have it.

The third one was that on the design it ought to be a hump yard, or a dual hump yard an auxiliary local hump—and I shall explain to you what a local hump is as we go along.

The next one was that to provide the land required, it would need a plot of land about $3\frac{1}{2}$ miles long roughly, by approximately 1200 yards across and of course it had to be had in a block.

The next consideration was that the yard had to be located so that convenient connections between the various subdivisions which I showed you could be made.

The next was that the number and location of highway crossings were to be minimized, and that of course was influenced by the position of the yard. The yard had to run in the same direction as the principal highways, otherwise it would have bisected a great many of them.

And the next was that the form of land was to be as little improved as we could find, and that this was the form of land to be used because it should be the cheapest.

New then, gentlemen, the location of the yard here is the location which in our view meets the standards best of all; and in addition, it is the location which received the approval of the metropolitan Toronto planning board. This location was discussed with them on various occasions before this was crystalized, and this is the vicinity where they thought it ought to be.

Mr. MCGEE: Is it not possible that the metropolitan body is giving approval to something outside of its designated area?

Mr. MACMILLAN: Yes, it is possible; it is in the twilight zone or the perimeter area, and their planning board has approved it. I am not sure what their jurisdiction is, but I think they have jurisdiction or a duty to approve plans which are beyond the boundaries of their area, or something like that.

Mr. McGEE: It is a fact that the location which they have approved is in fact beyond the border of metropolitan Toronto?

Mr. MACMILLAN: Oh yes indeed, it is.

What I would like to do now while our people are putting up a drawing which Mr. Cann is going to explain to you exactly what a hump yard is—is this: as I told you, it is a very large tract of land, and eventually the yard is to be swung on its side; whereas north on the sketch is at the top of the map, the one we are going to show you here has north on the left side.

The scale of this drawing is about 200 feet to the inch; and the lines on it indicate the tracks that are going to be built in the initial stages.

The broken lines indicate future trackage, and the dotted lines indicate the roadways.

Involved in the construction of this yard and located on it, as shown on this map, are 165 miles of railway. These are laid on approximately 430,000 ties. The grading to be done in rail ballasting, gravel, and other material to be moved to keep the yard flat is about $4\frac{1}{2}$ million cubic yards. There are 32,000 tons of steel rail to go into it, and about one million yards of ballast.

Just before Mr. Cann begins, it might be of interest to you for me to note that the elevation of this yard is roughly the elevation of the terrain in that vicinity, and that it is 400 feet higher than the elevation of lake Ontario. That is one of the inherent railway problems in this part of the world, the rise is so abrupt. Now Mr. Cann will explain to you how this hump yard works.

Mr. CANN: These yards take several forms. They may be built parallel to the roadway, or at right angles to it. We have chosen the right angle form. The purpose of the yard is to sort cars as quickly and as economically as possible.

Our tracks or access lines will run here at right angles. This is the west over here, and the east over there. Bala street is over here; it is this street right in here; and highway seven is there, and that is the one shown on the map.

The Sherwood suburb is right here, and this area is the haul back arm which is shown here.

Mr. McGEE: I have heard that there is proposed for the future in relation to the metropolitan plan that was mentioned earlier, a plan which will have the continuation of what is now No. 7 highway, coming in from the east to Yonge street, and continuing straight west through Yonge street, and it is to be known as highway No. 407; but according to this plan it goes right through the middle of your marshalling yard.

Mr. MACMILLAN: They will both pass over the yard on elevated bridges.

Mr. CANN: This is the hump yard, and as Mr. MacMillan explained it is essential to have a hill built to give the cars gravity and to sort them by that means. Your train will arrive from the west, and the others will arrive from the east this way, and they will pass up on this approaching track into the receiving yards.

As they pass this point down here, there is a television camera focused on the cars by which the yard clerks can check the car numbers as against the car contents. So, if there have been any set-offs of cars, put off at intermediate terminals, or if there have been any additions of cars put on at intermediate terminals, they can be checked against the actual position of the train as it arrives; and the train is moved into the receiving yard which is located in this area.

It takes about 45 minutes to check the train for possible mechanical defects; and as soon as the train has arrived the road engine is cut off and it moves up this yard to the diesel shop for servicing.

It can pass from here to here without interruption in all these operations by means of breaks underneath the hill or hump. And after the cars have been

inspected and there have been no mechanical difficulties marked up, the hump engine couples on them and pulls them back up to this area here. The caboose is still attached.

Mr. MCGEE: Will the operation be by means of diesel engines?

Mr. CANN: Yes, this will be a diesel engine; all the operations will be by diesel engines. Again it is possible to take your train to the other side of these tracks without interruption in operation over the hump by going underneath the bridge.

After they have been pulled by the switch, they then proceed to be pushed up the hill or the hump to the peak, and at that point the electronics start in. This hill is about 25 feet higher than the level of these tracks at any point, and while the cars are being taken up, the yard clerks have prepared the switching list, in which they have shown the designation of every car of the train; and as soon as they have prepared it, it will go by pneumatic tube to the various points in the yard such as to the conductor, to the yard master, and to some observation towers where there are fellows who watch how things are moving about the yard, and to see that everything is being dispatched.

As the train is pushed to the top of this hump, the conductor who is in a small building beside the hump, has a small panel with a number of buttons on it—about 80 buttons, one button per track; and if he wishes to switch off a car to a certain track, he simply pushes the button, and a trainman who is beside the track will lift the pin and that car takes off from the rest of the train.

And as we move over the hump, the conductor pushes the desired button for the track on which he wishes the car to go. He may have five of these cars going in different directions at the same time. In this building here there is an analogue computer, a miracle mind, and by shoving cards into it, it automatically makes available the required information according to the concepts as placed in the machine; and right down beyond the peak of the hump there is a small scale, and it has a beam underneath which is about seven feet long. This measures the weight of the car, but not exactly—just good enough for what is to be considered; and immediately behind that there is a piece of track on which they have an electronic scale, and from this scale you ascertain the weight of your cars as it automatically weighs each car. The car must be on the scale for about three seconds, and it will indicate by means of IBM business cards, or a punched type of card, the given weight of the car.

And while the car is rolling down, these scales record the speed, and they feed it back into the machine as it goes rolling along to the divisional track; and immediately below that there is a small piece of curved track, and this has to do with the retarders, and as the car goes over that curved track its speed is again measured, and it is fed back into the machine.

So they know where that car is going by means of the picture, and they know the measurement and the weight, and its speed on the divisional track, and therefore they know all these factors and they know how far down the track you want the car to go. The machine now knows all the factors except for one, and that is how far down the track the previous car has rolled. If the track is empty, of course it can roll right to the clearance point at the other end.

I might explain how this works. Provided that the car gets to the master retarder, then the machine automatically calculates how fast that car is rolling when it leaves the retarder. The retarder is simply a means of slowing it down. There are pneumatic retarders and electric types, but the principle is the same. They squeeze against the side of the wheels of the car to reduce the speed.

As soon as the car leaves the master retarder it reaches a group of local retarders, and this is to obtain a finer control of the car as it goes through this group of retarders. If the car is rolling too fast it must be retarded some more. In other cases the retarder remains open. Immediately that car goes over that

machine the information is fed back to the machine that it has gone over this particular track. It does not tell how far it has gone but it does relate the information that a car has gone in there. When that car comes to rest, whether it be against the car ahead of it, which is where it should be, or whether it falls short, the point where it has stopped is fed back into the machine, so the machine now knows the distance that is left on the track, so there is a slight correction added. The car may have fallen short or it might be right against the next car. The switches for the particular route that the car has to take have been automatically set at the time the conductor pushes the button to indicate the track on which it is to go. Provided the car has cleared the clearance point and will not foul any car following behind it going into a diverging track, then you can push four or five cars up one behind another and the switch will go back and forth and roll these cars into the particular tracks that they were designated for. That is, we have traffic coming from the east and coming from the west. We need two types, an eastward yard and a westward yard. In some places of railway construction you will find the eastward down here and the westward up here on opposing humps. If you have much traffic your eastward trains may have picked up some cars that are going to be destined westward to get them into terminals, and you get a lot of mixed up cars. These cars, if the humps are opposing, must be taken from one end of the classification yard all the way down to the other end and classified into their proper hump. We feel that by constructing essentially two humps together at this point we are able to overcome any delays due to this transferring of cars from one hump to the other hump, or gauging cars simply by having cross-overs installed at this point here, so that if a man is humping his way down the westward side and he has an eastward car it can be switched into the cross-over and into the proper yard. This is true even if both tracks on the hump are working at the same time, you simply drop them into a convenient track and later pull them back up the rail and over the hump. The distance you must go to get these cars is considerably less than if these humps are apart. Remember that on this scale map from that point to this point is about two and a half miles.

Once the cars have been classified into through trains they are pulled out by switch engines on the road in here, and rolled into departure tracks. While this is going on these punch cards are also being transmitted. When the cars are put on the proper track the operator down in the yard office simply feeds the punch cards into an I.B.M. machine and the train numbers are automatically printed. When the train is ready to depart the information is fed into a teletype machine and comes out at the next terminal.

Certain of the cars which come in on through trains will be destined for Toronto. They will be classified as local cars and will be humped onto two or three tracks in the centre of the yard. At that point another switch engine will push the cars up over the local hump or hill which is exactly the same as your main hump except that it classifies your cars to be destined to Toronto. Mr. MacMillan explained many of the main destinations such as Mimico, Don, Bathurst and so on. They are classified into the sections of Toronto and moved by transfer trains from this yard to these different areas in Toronto.

Some of the cars will require repairs to defects which have been picked up by the inspection made in the receiving yard. Now, those cars are classified on tracks here known as repair tracks, or the storage for repair tracks. They are then pulled out into this area here, so that they can be properly repaired, or whatever is required is done, and after that they are pulled out and put through the hump and classified again.

When your train is ready to go your engine is brought up into the servicing area up here and down to the departure tracks which are on the other side of the yard, and from there your train goes.

Mr. McGEE: I would like to ask a question at this point. These trains which are designated to Toronto would presumably go down to Newmarket and Bala, I suppose, would they?

Mr. MACMILLAN: Not necessarily, Mr. McGee. They could go down any number of these tracks depending on where they are going in the city. They would go on whichever one of the subdivisions provided the most convenient route to the destination, because by that time they are designated for the Danforth approach, the Newmarket approach, the Bala approach or the Uxbridge approach. That sort of thing is done right in the yard.

Mr. McGEE: What will be the effect of this project. Will those lines be busier when it is in operation than they are at the present time?

Mr. MACMILLAN: No, we think not. We believe they will be not nearly as busy. At the moment, you see, inbound traffic and outbound traffic goes in and out this subdivision in addition to the local movements up and back. We are now taking the inbound and the outbound movement off them entirely.

Mr. McGEE: Yes, but the percentage of the traffic of the total that would be coming in the Newmarket and Bala lines is insignificant to the total Toronto percentage, is it not?

Mr. CANN: The number of trains going from this yard eastward to Toronto by Bala, for instance, would not necessarily be any greater than the number of through trains you have now.

Mr. McGEE: It would not necessarily be greater, and that is a different way of expressing it, perhaps, but I would like a simple answer to the question, will this project increase the traffic on the spokes of the wheel, so to speak, over what there is at the present time?

Mr. CANN: I would not think so, no.

Mr. CAMPBELL (*Stormont*): Would it be possible to eliminate this concentration of traffic around the union station? We are perhaps 100 years too late to do that, but could this whole movement be moved back from the waterfront in Toronto? It would probably be impractical at this stage to push the whole operation north from the waterfront.

Mr. MACMILLAN: This will not remove the railroad activity from the waterfront but it will very materially reduce it. In some locations throughout the railroad present rail facilities can be shrunk. As you go west through the city towards Mimico we will not require the extensive facilities in that vicinity any longer if this project is proceeded with. The same is true, to a lesser extent, all along the waterfront. It will definitely reduce the congestion. That is one of the primary reasons for this program.

Mr. CAMPBELL (*Stormont*): There would be no possibility or at least it certainly would not be practical at this stage to contemplate the removal of the railway facilities from the waterfront at all and push the whole thing five miles or ten miles north? I suppose it would be astronomically impractical.

Mr. MACMILLAN: A movement of that kind almost invariably boils down to the impact on industry. Industry is located there and these industries require rail services. They are the parties affected by such a move. We have this problem in many parts of the country. So far as the railway is concerned, very often it would suit them just as well to be out, but if you have one industry that is determined to stay and requires rail service, so far as the railway is concerned it can do nothing about it. That is the explanation for railway tracks in the middle of a town or a city very often. There is an industry or a couple of them located there and they will not give it up.

Mr. FISHER: Mr. MacMillan did not give us any detail in regard to the effect this concentration will have upon the Mimico shops and the train crews

who get their trains there. Will this concentration there mean that most of the train crews, except perhaps the switching crews in these small yards, will get their train somewhere else

Mr. CANN: That is right.

Mr. FISHER: In other words the railroaders who live around the Mimico area will be faced with the problem of getting to work in that particular area?

Mr. MacMILLAN: We would anticipate, Mr. Fisher that these men will locate at distances much closer.

Mr. FISHER: Can you give us a rough idea as to how many people are involved in this particular employment picture, in so far as the running and shop trades? You have given us the figure of \$21 million in regard to construction, but by the time this is finished in 1965 how many people will find their work day lengthened due to the fact that they will have to travel some distance to begin?

Mr. MacMILLAN: I wonder if we could acquire this information for you and send it to you. We do not have this information at the moment, I do not think.

Mr. McGEE: I would like to ask the witness what he means by acquiring this information and sending it to us. Presumably we are here to decide whether we will approve of this project or not. The fact that some information is sent on at some future date will not be of much practical use in coming to a decision.

Mr. MacMILLAN: I appreciate both the questions that have been asked, Mr. Fisher, but we unfortunately are unable to answer them at this moment. We must determine the answer.

Mr. McGEE: I would think then perhaps if the information, such as we have requested earlier, is not going to be available until after this bill has been passed we should not ask the type of questions in the terms we have, but allow more leeway in regard to the answers.

Mr. FISHER: I am just asking for rough answers.

At the present time, Mr. MacMillan, you are operating freights from Toronto to Belleville, is that correct, or Brockville?

Mr. MacMILLAN: It would be Belleville.

Mr. FISHER: That is two normal divisions is it not? Let me put it more specifically.

Mr. MacMILLAN: That is just one.

Mr. FISHER: Mr. Gordon has explained to us on a number of occasions that when the central traffic control system is completely introduced, especially in respect to the transcontinental line and the lines east of Toronto, that you will run your trains on two divisions, is that correct?

Mr. MacMILLAN: That is true, but that is not inherent in this problem. It is expected that 400 men will be employed in the freight station and that there will be approximately 1500 men working in the yard. In addition there will be men like train crews spaced at these points. To give you the number we would have to determine what crews are now working out of Mimico as well as the other crews. I think we could give you an approximate number before very long. You could make a pretty good educated guess, Mr. Hayes, could you not.

Mr. HAYES (*General Superintendent, Southern Ontario District, Canadian National Railways*): Yes, that is right.

Mr. MacMILLAN: Work that figure out and we will give it in a few minutes.

Mr. FISHER: The reason I asked about the two divisions is because I am trying to get some idea of the time effect.

Mr. MacMILLAN: No, I would not think it would have any effect on it at all, Mr. Fisher.

Mr. DRYSDALE: Mr. MacMillan could you give us some figures in regard to the cost of the hump yards at Montreal, Moncton and Winnipeg, in relation to this one?

Mr. MacMILLAN: The Winnipeg yard will cost approximately \$25 million, the Montreal yard is approximately \$30 million and the Moncton yard is about \$15 million. You will recall I said this yard would cost us something of the order of \$43 million.

The basic explanations of the additional costs here are: (1), that the construction of this yard would be later than the other two yards; (2), that it is a bigger yard than any of the others; and, (3), the country around Toronto, if you are familiar with it, you will recall is far from level. It is filled with dips, dales and river valleys, and the earth and other material to be moved to achieve a level yard here is about three times as great as it is in any of the other yards. The amount, you may remember I said, was something between 4 million and 4½ million yards of material that has to be moved. What we have to do there, actually, is to take it off the high spots and fill in the low ones.

Mr. DRYSDALE: What is the relative capacity between the Montreal and the envisaged Toronto yard?

Mr. MACMILLAN: This is substantially bigger. Would you like the figures?

Mr. DRYSDALE: Yes, if I could have them, it would be interesting.

Mr. MACMILLAN: In determining the capacity of the yard we express it in terms of what is actually to be the result rather than the physical capacity.

To explain that a little more, we do not continue to push cars over a hump 24 hours a day and 60 minutes of each hour. My recollections are that this hump would be in use 40 minutes out of each hour. Is that correct?

Mr. CANN: That is correct, Mr. MacMillan.

Mr. MACMILLAN: On that basis—

Mr. CANN: In terms of standing capacity of the yard, the Montreal yard is just over 10,000 cars. By "standing capacity" I am referring to the yard tracks, and not to the tracks that lead into the yards or the diesel shop area. It is around 10,000 in Montreal; and here it is slightly over 11,000. The ultimate capacity of this hump is somewhere in the order of 6,000 cars a day.

Mr. DRYSDALE: Do you use the Montreal yards now for any of your cars?

Mr. MACMILLAN: No, it is not finished yet, and it is just in the throes of being completed.

Mr. DRYSDALE: Just one more question. Have you any hump yards envisaged for Vancouver? I should say here that I live just outside of Vancouver.

Mr. MACMILLAN: Not at the moment, but we do have in contemplation a program of the order of \$4 million, but it is not provided in the budget.

Mr. DRYSDALE: It would not be an electric hump area such as the one you have at present?

Mr. MACMILLAN: No, it is a terminal yard.

Mr. CHOWN: That is the end of the line, John.

Mr. SMITH (*Calgary South*): It is way at the end of the line, too.

Mr. CHOWN: To what extent are these eight freight yards you indicated to us shared by the C.P.R.?

Mr. MACMILLAN: Not at all. They have their own independent yards.

Mr. CHOWN: Are they in any way making a contribution to the relief of this congested situation in the Toronto area themselves?

Mr. MACMILLAN: No, because they do not create the congestion. Their freight movements do not pass through this area. You may recall I said passenger trains of both railways run through there.

Mr. CHOWN: Yes, and you omitted freight.

Mr. MACMILLAN: Yes. The C.P.R. run north of this area, into West Toronto. Then it cuts back and they use our main line to Oakville.

Mr. MCGEE: They also have a similar hump yard in the eastern section, as well as just south of this proposed track?

Mr. MACMILLAN: Yes.

Mr. MCGEE: I indicated this No. 7 highway extension was to go straight through. Is this correct?

Mr. MACMILLAN: Could we take down the yard plan?

Mr. MCGEE: It is not in the way.

Mr. CANN: From what we understand from the Department of Highway people, Mr. McGee, they have not precisely decided where it is to go, but the last time we were talking to them it was thought it would go there.

Mr. MCGEE: I just want to establish the point that any proposed highway construction would not result in this silly situation of building a bridge over the widest point of the yard.

Mr. CANN: No. They are in a state of flux as to where they want it, and the last time I was talking to them it was to cross there.

Mr. SMITH (*Calgary South*): I wonder if I might ask the minister a question?

Undoubtedly, Mr. Chairman, the minister and his departmental officials have been convinced of the necessity for this undertaking. I am always curious when I see an amount of this size which comes before a committee—recognizing the human frailties of anyone, including the officials of the C.N.R.—as to whether there is any engineering check made by anybody other than the railway officials, to determine whether or not the amount involved, or the detail is totally necessary. Otherwise, we have the views expressed by the railway, and it is understandable they would want to achieve the very best. But is there any assessment made as to the total project, as to whether, perhaps, it is somewhat more than is required? How do we know this factor? I am sure there is a very simple answer.

Mr. CAMPBELL (*Stormont*): Perhaps there is none actually competent enough to make a check on this.

The HON. GEORGE HEES (*Minister of Transport*): The government accepts the figures that are put forward to it by the railway after considerable examination. I might say that before this project was passed by cabinet and it came forward in the house, a committee of cabinet was set up and studied this matter very intensively, and met with Mr. Gordon and Mr. MacMillan. They came here and spent pretty well one whole day on it with cabinet. Before it even came forward to the cabinet Mr. Gordon, Mr. MacMillan and his officials spent a day with Mr. Fleming and myself, to satisfy us this was necessary. We have accepted the figures the C.N.R. have put forward, the engineering figures, costs and so on. Having accepted those figures as they have been put forward to us, we are convinced this is a good and sound proposition. In other words, what it amounts to is this, as put forward in a nut shells by Mr. Gordon and his officials: it will cost something in the order of \$100 million over the next 25 years. If it was not built the innovations that would be required for existing freight yards would be in the order of about \$100 million, and that would make it for 25 years, and at the end of 25 years you would have nothing to show for what you had spent; whereas in this case you have a first class electronic hump yard.

Mr. SMITH (*Calgary South*): Mr. Minister, I do not question your judgment that it is required, as I said initially. I am just curious though, recognizing, of course, public funds are invariably voted to the railway, as in this instance; and I would hate to think it was this committee, for example, that was the check to determine the extent of the dollars involved, because of the very technical nature of what we have already before us. I am just curious to know, in this instance, and in similar instances, when the railway makes that proposition to the cabinet, whether there is any assessment made, and whether there is anyone looking over their shoulder, so to speak, to determine if, perhaps, the entire project could not be constructed equally as efficiently at a somewhat smaller cost. This is the whole point I am making.

Mr. HEES: No, I do not think the government would undertake to tell the railway how to run its business. If it appears to us the projects that are put forward to us make sense and are worth while, then we okay them. But to do it any differently would be to go into all the facts and figures.

Mr. SMITH (*Calgary South*): It would be impracticable?

Mr. HEES: It really would be quite impracticable.

Mr. CAMPBELL (*Stormont*): I doubt whether any civil engineering firm would be capable of assessing this. I am skeptical of independent studies. Even in the small city of Cornwall they spent \$8,000, an extraordinarily large sum in this instance, for an engineering survey of the harbour potential, and a beautiful document was produced about the size of Eaton's catalogue which was nothing but a compilation of the bureau of statistics figures and fancy drawings. The information, which I think was largely irrelevant, could have been condensed into two pages of foolscap.

The VICE-CHAIRMAN: Mr. Browne.

Mr. BROWNE (*Vancouver-Kingsway*): I was going to ask if it was anticipated that there would be an annual savings to the railroad after the completion of that yard, and if any amount was estimated that would be an annual saving?

Mr. MACMILLAN: Yes, we have that; I have it in my material and I was going to give it to you later; but in a nutshell it is this: that with the contemplated expenditure of the amount that we have under consideration we will be able to service the depreciation with interest at six per cent on that sum, and we still will have reduced our operating expenses around Toronto by at least \$2 million a year. These are projections, but they are our sincere belief that that will be the result.

Now, in addition to these savings which we can estimate, there are also intangible savings which are very difficult to evaluate, and they come from the better utilization of motive power and car equipment, which is partly of course expressible in requiring less of both; then the facilities will permit of more expeditious handling of traffic, which is beneficial; also the building of the access lines will take industrial areas which are not now capable of being serviced by the railway, and this ought to increase the volume of traffic.

In all these things, as I have said before, it is very, very difficult to put a dollars and cents evaluation on them, but they are nevertheless very real. There are all kinds of elements of that nature.

Mr. MCGEE: Following Mr. Smith's general line of questions, for instance, what about this television business? Has it been evaluated as to its separate components? How necessary is it that these television cameras and closed circuits be set up? What are they going to cost, and how much would it cost if you continue with television? How practical would it be?

Mr. MACMILLAN: We are not in the forefront of utilization of closed circuit television. It is to be found in the operation of many of the modern new yards

in the United States. We have examined their results and checked the alternatives, and we are quite convinced that this is desirable. It accelerates the operation very, very materially, and it brings it into harmony with the other devices that are available to us now to carry on the business of the railway.

For example, it used to be that the train manifests moved with the freight train; the conductor actually carried them with him, but now with the advent of the computers and the punched tape mechanism it is possible to transmit these lists almost simultaneously so that they are on hand at the terminal when the train arrives, and all the planning has been done, in the interval which has elapsed between the departure of the train from the primary terminal to its arrival at the new one.

A closed circuit television is merely the last step in that movement.

Mr. McGEE: And also in connection with the hump yard itself: will it be, for instance, that the trains we see in increasing numbers consisting almost entirely of piggyback operations—is there some part of the yard designated to carry out this operation, or is it supposed to make use of existing facilities elsewhere in Toronto? How does the piggyback operation fit into the general scheme of the yard?

Mr. MACMILLAN: It fits in very well; and in the area on the right hand part of the map is shown the location of the piggyback ramp. This will not be the only one in Toronto, because experience has indicated other places are required where piggyback operations are being contemplated, and it is better to try to put piggybacks into various sections of the terminal and not try to keep them all at one position.

But the track for this part in the northern segment of Toronto will be moved into here, and it will go through there, and this will be left there, but there may be transfers to the Mimico yard where we have a piggyback ramp at the moment.

Mr. McGEE: What about the plans for that aspect of the yard assuming that there is expected to be an increase in that type of movement, in the long-range view? Have you coordinated them with the planning and road access facilities?

Mr. MACMILLAN: That is correct.

Mr. FISHER: You have made the point that there would probably be less traffic on this line especially in the downtown area. Is it the thought of the C.N.R. that by becoming more efficient you will be able to provide a complete and better commuter service?

Mr. MACMILLAN: I would think it is. I think we have said that in respect to commuter operation in Toronto that it was quite a problem, and that we have been working with a committee of the metropolitan Toronto planning body on the question of commuter service.

Mr. McGEE: The basic argument against the increase or improvement of commuter service over the years has been justified?

Mr. MACMILLAN: That is correct.

Mr. McGEE: That it simply was not physically possible to put on these commuter trains?

Mr. MACMILLAN: We have had two points which we have made before: that commuter operations by the railway are recognized as being extremely costly, and that if they can be resolved, then we will recognize that this is a function which the railways might discharge. But in so far as the Toronto line is concerned, in the past it has not been possible to do much about it. However this will relieve congestion to the point where it becomes worth discussing; and we are doing that right now.

Mr. SMITH (*Calgary South*): And do you forecast a little faster traffic between Ottawa and Toronto?

Mr. MACMILLAN: We do not operate the passenger service or rather the overnight service, I should say, between Ottawa and Toronto.

Mr. CROUSE: How many people will you have to lay off when you construct this yard?

Mr. MACMILLAN: I would not anticipate that there would be layoffs flowing from this at all.

The VICE-CHAIRMAN: Do you feel that there will be as many men utilized as there have been up to the present time?

Mr. MACMILLAN: No, I cannot say that, not frankly; but I can say this: that doing the switching in marshalling yards in this way requires less manpower than it does to do it by switching crews on flat yards; and there is a considerable interval of time which will elapse before these facilities will become activated; and during that time it will be possible to anticipate reduction in the numbers.

Mr. DRYSDALE: Mr. MacMillan, in regard to the parts of the project which are not going to be constructed by the C.N.R., what consideration has been given to giving preference to Canadian contractors on both the contracts and the sub-contracts. The reason I raise this is that this matter came up for discussion in the special committee on the C.N.R. and T.C.A. I believe a recommendation was put to the effect that that be done. I am wondering if you intend implementing this recommendation in this particular situation.

Mr. MACMILLAN: As you know we do our level best to keep the Canadian content of our contracts at the pinnacle. In so far as that is possible we enforce it. This work very largely will be done, I anticipate, by inviting bids and tenders and normally the Canadian has a better opportunity to bid. I may be wrong but I have no recollection of anyone other than a Canadian having built anything of this type for us for a long, long time.

Mr. DRYSDALE: Then there would be no difficulty in including a Canadian preference in the tender.

Mr. MACMILLAN: Yes. There is one segment which is very difficult; that is the signalling. We do not have any domestic manufacturer of signalling equipment. As a result these contracts I suppose invariably go to the United States.

Mr. CAMPBELL (*Stormont*): What about British or European equipment?

Mr. MACMILLAN: We have done a good deal of work in trying to interest the British signalling equipment manufacturers, but the program of the British railways has been so intense that the British manufacturers have not shown a great deal of interest.

Mr. FISHER: You have given an indication that there will be approximately 400 men working in the shops and somewhere up to 1500 working in the yards themselves. There is no estimate of the running crews, but I think 600 men would be a fair estimate—500 or 600. This gives you something over 2000 employees who will be shifted into an area. We also have the 1980 project of the metro plan which indicates that the population shift to the north will be heavy. What is your assurance that you have enough space for the future development and what steps are being taken to protect that area around there from residential build-up in order to plan for further expansion of the yard and industrial make-up which will come along.

Mr. MACMILLAN: In the location of this property in the first instance, as I told you, we tried to pick the area that presently was farmland or thinly developed land. That is basically what this is. In our plans we have surplus lands that arise by virtue of curvature of trackage, and so on, on Keele street

which is the principal road immediately to the east. We have moved the yard as much as we could. This was a product of trying to help the residents of a little community called Concord across the street. We moved the yard over as much as we could which freed a strip of land along Keele street 800 or 900 feet which will be available, inasmuch as it is not required for railway facilities, for industrial development and other uses.

Mr. CHOWN: That would be roughly $3\frac{1}{2}$ miles long.

Mr. MACMILLAN: Two miles anyway.

Mr. FISHER: One of the arguments against the location of the yard there, as I understood it, was the general effect it might have on real estate value. There is also the possible consideration that these people working in this particular area will seek some kind of residence and the possible influx may have an effect on this.

Mr. MACMILLAN: There is a considerable tract of open land in this vicinity which is available for development. The experience in American yards comparable to this has been exactly that. New model communities have sprung up in their immediate proximities.

I would like to go on with the access lands. Having determined the location of the yard, the next question was to resolve the means of access to it. In this connection certain factors were important. In the first place we had to choose the shortest and most feasible route for construction and operation. Again we wished it to be as close to metropolitan Toronto as it was practicable to have it in so far as the physical characteristics of the railway to be built on it were concerned. The gradient ought not to exceed .71 per cent maximum and the curvature should be limited to 3 degrees. Furthermore, all the crossings of the C.P.R., all highway crossings, and most local roads had to be separated. They had to have a route to enable the practical connections with each of these subdivisions. That is important when one remembers that they are not all on the same elevation because they were built, as I told you, by different railways with no intention at that time of their ever being interconnected. Also, we were eager to pass through as many areas as possible which were already zoned for industry and also that the route interfere as little as possible with permanent property already constructed. We had also major engineering and operating control points which developed. There was the connection with the Oshawa sub-division. At that location I think there are three river valleys which have several branches and the ground there is extremely rolling. Then there is the crossing of the Rouge river. This was a question of picking a location which enabled the shortest possible means of getting across. Then there was the problem of crossing Yonge street. Then the question of the crossing of the Humber river which is on the west and in a wide valley. Then the connection with the Brampton subdivision. Using all those considerations, the dotted line route is the one which it was felt best met these various requirements. This line would be about 34 miles in length.

At the beginning you will recall I said that so far as the western approach was concerned our present intentions were to utilize the line which starts down by the lake, the Milton subdivision up to Georgetown, and then the Brampton subdivision coming down. There were, however, operating problems here. These again, flow from the fact that these two pieces of land were built by different companies originally.

The Milton subdivision was built to carry traffic from Lake Ontario, at Oakville, to Allandale, and it was not contemplated the two would be used in conjunction with one another. I have given you some indication of the dollar saving we visualize.

Mr. CHOWN: Mr. Chairman, I think we probably could consider the bill clause by clause at this time.

The VICE-CHAIRMAN: Mr. Fisher, did you have a question?

Mr. FISHER: Well, Mr. Chairman, I wanted to get into this whole question concerning the objections that have been raised, and where they stand at the present time. We are unable to discuss that under a clause by clause consideration.

Mr. McGEE: I was going to ask the chairman whether the specific questioning on the matter of the access should be discussed under clause 2, or at this stage in the general discussion?

The VICE-CHAIRMAN: Well, what is the wish of the committee? Do you want to continue with this general discussion, or discuss the bill clause by clause, and bring up each item as we come to it?

Mr. BROWNE (*Vancouver-Kingsway*): I think we would make better progress if we proceeded clause by clause; otherwise, we will be going on forever.

Mr. SMITH (*Calgary South*): Speaking on going on forever, are you scheduling a meeting for tonight?

The VICE-CHAIRMAN: That was the intention, if we did not finish before 5.30. Is it agreed that we take the bill clause by clause?

Mr. FISHER: Mr. Chairman, allow me to ask one general question, please.

The VICE-CHAIRMAN: Proceed, Mr. Fisher: What is the possibility of the seaway traffic, which is building up in Toronto, and that type of freight and express generating traffic, recreating the congestion that you are clearing down at the waterfront?

Mr. MACMILLAN: I do not think that is very great. At this point in time, the railways are not enjoying much traffic out of the harbour. I think I am correct in that—and it is right there, at the Bathurst-Don river point, as you mentioned, but it would be moved immediately to the yard, and there would be no cross route.

Mr. FISHER: The C.N.R. is now in the trucking business, or moving into it. Is there any link-up between this piggy-back service and the developments you are going to have in the north end—a plan to tap, with your own trucks, this traffic.

Mr. MACMILLAN: We do that now, with our company-owned vehicles.

Mr. McGEE: Reverting to the number of factors which you considered in the original proposal, or the original consideration of the act, I have here a summary of a presentation by the Markhan-Vaughan united ratepayers association, in which the following statement appears:

On March 25, 1959, at a public meeting in Thornhill high school, attended by 1,200 local residents, Mr. J. L. Cann, C.N.R. terminal project director, stated that the only considerations motivating the railway in the location of its access line in the Thornhill area were:

1. Shortest possible route with acceptable grades.
—which you mentioned.
2. Closest to metropolitan Toronto.
3. Cheapest to construct.

Then follows a paragraph, which does not clear with what you said today. It reads as follows:

Mr. Cann admitted that the railway had not given any consideration to the possible effect of a double-track heavy traffic freight line on a residential community.

Now, according to this brief, this was not a part of the consideration in the selection of that route, but according to your testimony today, it was. Are you prepared to comment, by way of clarifying that?

Mr. MACMILLAN: I was not there, and I do not know what transpired. However, the factors I gave you were the true considerations that were followed.

Mr. MCGEE: In the selection of the route the DeLeuw Cather report was a large factor in the final decision. Is that correct?

Mr. MACMILLAN: No, that is not.

There seems to be some mystery about this report, and I would like to tell you a little bit about it, if I may. Perhaps, in doing so, it would clear the air, and give everybody a better understanding.

This problem has been facing the railway for a long time and, as I said before, as early as 1939, we knew there was trouble inherent in the area. Then, we got into the war right away, and there was no opportunity to take any remedial action. We had to temporize to keep operating. Immediately after the war the matter was studied again, and we went into the revision of the Mimico yard, which was done. Over the course of the next five or six years we made changes in the yard to meet the immediate requirements, and this gave us an opportunity to study it more comprehensively. Then, about 1959, the major problem was tackled, at which time we had a proposal to build a yard outside of Toronto, with access lines to it. It was studied again in 1957. Now, in 1957, the whole problem was costed, and we knew immediately that a very large sum of money was involved. At this point it was recommended to the management that the matter be proceeded with.

The decision reached was that in view of the order of magnitude, it was desirable to endeavour to get some confirmation of the need of such a solution, and to do this the firm of DeLeuw Cather was retained. Now, their direction was to study the situation prevailing in Toronto, and to determine, firstly, whether there was a problem and, secondly, how it should be resolved, and whether or not the proposal to build a hump yard and access lines was the best solution available.

This firm went to work and, step by step, they confirmed the decisions that had already been reached by our own company officials. Their final conclusion confirmed the prior determination of our people—and the yard site that is shown on that map is the one that was originally chosen by our company personnel. The choice was expressly confirmed by the consultants, and the same story is true of the access lines. It was purely a question of confirmation. The report was obtained for the assistance of the management in determining the solution of the Toronto problem. In our view, it is the management's responsibility to make its own recommendations, and the views that were advanced in support of the application for the bill are, accordingly, the views of the management—and, in that, we are reassured by the various studies our own people have made, and the confirmation by the DeLeuw Cather group.

I hope that answers your question, Mr. McGee.

Mr. MCGEE: Is it a fact that the recommendations of the DeLeuw Cather report were for the line as it is now?

Mr. MACMILLAN: The line that is projected on that map was actually prepared from route plans, which we got from DeLeuw Cather. They did not compile these in their entirety, but they took the material we had put together before, and checked.

Mr. MCGEE: You mention two plans.

Mr. MACMILLAN: No, I said the route plans.

Mr. FISHER: At no time was any intimation given to any of these protesting groups that the DeLeuw Cathers report had suggested alternatives?

Mr. MACMILLAN: No, sir, not that I know of.

Mr. FISHER: The information given by the company was that the DeLeuw Cathers report supported the general plans of the railway, although the report may not have been sought specifically for that purpose, in so far as location was concerned?

Mr. MACMILLAN: No, the report was sought on the question of whether or not there really was a problem in Toronto, and how should it be resolved.

Mr. FISHER: Why was there such a reluctance on the part of the management to release the report, or sections of the report that may have been relevant to the location?

I know the answer that was given to us—but why would this location section of the report be so relevant, in terms of your great competitive rivalry with Canadian Pacific Railways?

Mr. MACMILLAN: I do not know that there was so much importance attached to that. It is most unfortunate that this report was built into such magnitude. It does not have that significance, I assure you. We checked the route from an engineering point of view, and came to the same conclusions.

Mr. FISHER: You say it does not have that significance. Why did these groups feel it was so important?

Mr. MACMILLAN: I do not know, and I cannot say why they felt it. But I would surmise that it was not necessarily that they felt it was so significant; but rather that they were just interested in seeing it.

From my own point of view, I suggest to you that it had no more significance than the reports of the groups, the committees, the company committees that worked on the same problem.

Mr. FISHER: Did any of these groups that protested have any suggestions for alternative routes?

Mr. MACMILLAN: Yes, they did. I would like to tell you about that, because again there is misunderstanding on this feature. What we did here was this: we publicized the route over a year ago, and at the time we publicized it we knew it was a route on which there would be nothing done for at least two years. It would give everybody ample opportunity to study it and to consider its impact on them, if anything at all.

It had that very effect, and there were many delegations and people who came to see us, and our officers went to see them. We have, I think, tried to meet the wishes of everybody, where it was possible to do so at all.

We have, in fact, made several revisions of this route. These are all made with the knowledge of the Metropolitan Toronto planning board and the township concerned. They vary from minor revisions to one at Malton where, pursuant to representations from ratepayers' groups, we relocated almost seven miles of track—6.7 miles—to swing it away from where it had an impact on them. Also, in the vicinity of the yard, as I told you a minute ago, we moved the yard to the east so that the closest track is now pretty nearly half a mile away from anybody. We moved it 1,500 feet west—the whole yard, and particularly the trackage of that end. That curve that you see on the north end of the yard—the pull-back yard—in the original plan that was released, that track went right straight due north and it came into the zone of influence of Maple, I think is the community there. They made representations about it; we found we could meet them, and we turned it in a right angle and took it over, so that it now ends right at the next concession road, which I think is Jane.

All these things were done in an effort to be good neighbours and to cooperate. In a couple of instances it has not been possible to work it out; but not through any lack of desire on our part.

Mr. CAMPBELL (*Stormont*): In an operation of this magnitude, that is inevitable, regardless of what area you move into, in such a congested area as the Metropolitan Toronto location. In such an area there will always be a certain amount of controversy.

Mr. MACMILLAN: We projected a railway that has 34 miles lying through an extremely densely populated part of Ontario, and we have been able to get through there with a minimum of trouble. We are very sorry that there are some people who were unhappy; but—

Mr. McGEE: I take it that what is before the committee now is that this proposed route, on the basis of the evidence and information, is the best route that the company can get?

Mr. MacMILLAN: Yes.

Mr. McGEE: There are two or three alternate proposals that I would like to discuss and hear some good reasons why these were not adopted.

This is as a result of specific requests from specific groups. With the agreement of the committee I would like now to outline those alternate proposals to the committee, and satisfy myself, on behalf of these groups—and on behalf of the committee, for that matter—that this truly is the best proposed route. Is that agreeable?

Mr. CHOWN: Mr. Chairman, before Mr. McGee starts, it occurred to me that we might defer this until our meeting at 8:00 o'clock, because he will be taking some considerable time.

Mr. SMITH (*Calgary South*): That is an excellent suggestion.

Mr. McGEE: We said something about 5:30 p.m. a few minutes ago. I could very briefly outline the main features of these alternate proposals, and perhaps some of them will commend themselves to members of the committee over the dinner hour.

The VICE-CHAIRMAN: There is one thing I was wondering whether we might run right through to 6:00 o'clock. We had such a job getting a quorum this afternoon, and after dinner possibly we might not get one at all.

Mr. CAMPBELL (*Stormont*): This is a large committee. I think we have an excellent representation from the government here, in proportion to the opposition.

Mr. SMITH (*Calgary South*): We have an excellent representation outside of it.

The VICE-CHAIRMAN: What is your feeling, gentlemen: Shall we carry on with Mr. McGee?

Mr. McGEE: One of the proposals was that the proposed extension of number 7 highway would assume presumably some of the importance and position to the metropolitan area of Toronto of highway 401 coming into the eastern end of Toronto and bypassing populated areas to the north, and I assume ties in with the general east-west highway route. The growth of Toronto, however, has caught up to 401, and you have the function of the bypass road which is practically a city street in terms of east and west traffic. This will become increasingly so as the population expands over the projected period of the next 20 years. One of the proposals was that in view of the assumption that highway 401 replaces 7, it would perform the same function as this, and it would be sensible to at least tie in the route a bypass with number 7 highway and make it immediately adjacent to the highway, resolving a lot of the problems concerning the purchasing of land and so on, by running the bypass right along number 7 highway, crossing Yonge street and then coming back down to hook in with the existing location of the hump yard. That is a proposal which would certainly solve the problem

as far as Thornhill village is concerned, where the major disturbance will occur as far as the residential areas are concerned with the present proposed route. That is one proposal.

The second proposal is made for the reason that it might be a lot cheaper and more beneficial and would avoid this whole proposition across here entirely.

Mr. DRYSDALE: Would you indicate what you are outlining a little clearer for the benefit of the shorthand reporter, because this will not show up in the transcript.

Mr. McGEE: This would do away with perhaps part of the route which passes through the section east of Yonge street and bring your inflowing traffic from the east along your main lines. This is going to be a two track line, is it not?

Mr. MACMILLAN: In part it will be.

Mr. McGEE: In part. It is then proposed you simply bring your two lines down here and bring them up a double track on the Newmarket subdivision line, which is presently a single track, and bring your eastbound traffic up into the yard that way. There have been various estimations made of the number of millions of dollars cheaper this would be. On the other hand the balance of the township of Scarboro on the eastern section would lose the advantage of the location of industrial concerns along the line which would produce a favourable balance of tax revenue, which is a problem in the township.

Mr. MACMILLAN: They are very interested in having this.

Mr. McGEE: Yes.

The third proposal, and I have not put these forward as I rate them, necessarily, but this is put forward in order to avoid the disturbance at Thornhill if the route is put sufficiently north here.

Mr. DRYSDALE: Where is "here"?

Mr. McGEE: I would say east of Thornhill below the Bala subdivision line, to go north across Yonge street or north to number 7 highway to tie in with the new Malton subdivision coming down and entering the yard as proposed at the present time.

The particular group at Thornhill would like to know why these alternative proposals were not considered. There have been suggestions that they were considered. One of the suggestions was that one or other of these alternatives was contained in this DeLeuw Cather report. This group is wondering about the importance of the DeLeuw Cather report and would like to be satisfied that there are good grounds for rejecting the three alternative proposals.

Mr. FISHER: I consider Mr. McGee as a witness now and I would like to ask him some questions about these proposals. I think the members of the committee would agree with me

Mr. DRYSDALE: Will he be under oath?

An HON. MEMBER: Is Mr. McGee a professional now?

Mr. FISHER: I am prepared to accept his word.

I would like some background in regard to the development of these alternative proposals. I would like to know if these people had any advice from economists or engineers and people of that sort.

Mr. McGEE: There was a group of ratepayers in the Thornhill area who searched among themselves for engineers and individuals in various fields of engineering and so on. On the basis of the time available and their own talent they examined the situation. This in one of the reasons they requested

the DeLeuw Cather report. They felt that to undertake this as a private project and to satisfy themselves that this was the best decision would be beyond their capacity. In any event, falling within that framework, they examined the situation as they saw it and finally came up with, in the one case, this bypass route north of number 7 highway utilizing existing lines here and here, producing a short cross distance but adding in the process an overall length to the east-west run of the line.

Mr. FISHER: Does this particular group that brought forward these proposals feel that their proposals have had adequate study on the part of both the Canadian National Railways officials and the government officials?

Mr. McGEE: They have indicated to me that they were not satisfied that the reasons given for the rejection of these alternative proposals were adequate. This is what I hoped to obtain and am sure I will obtain from the senior witnesses here.

Mr. FISHER: Mr. MacMillan has suggested that the DeLeuw Cather report would not be of much significance in this particular matter since it seems to dovetail with the recommendations of the Canadian National Railway, itself. I am wondering whether you, in your capacity as a member, have had an opportunity through the Minister of Transport's office to examine this report on a private basis in order to confirm this.

Mr. McGEE: I do not consider myself qualified to come to a decision of that nature. I have relied on the ability of the officers of the C.N.R. and the Minister of Transport to provide at this meeting the reasons why these proposals were rejected.

Mr. FISHER: Do you still feel that it would be useful for this group to see the DeLeuw Cather report?

Mr. McGEE: That is a very open question in view of what Mr. MacMillan has said, and is jumping the gun. We have not heard Mr. MacMillan's response, which I hope we will hear, in regard to these alternative proposals and why they were not accepted.

Mr. CAMPBELL (*Stormont*): Do the Canadian National Railways officials have any objection to disclosing the relevant parts of this report?

Mr. MACMILLAN: We would prefer not to, but I am quite prepared to follow Mr. Fisher's suggestion, or to let you have a look at it at any time. This is only one of several documents.

I would like, if the opportunity presents itself, to deal with Mr. McGee's comments.

Mr. CAMPBELL (*Stormont*): The only way one can receive a candid opinion is to have these reports made in confidence. If they are going to be subject to general perusal and discussion then the report will not be a candid one.

Mr. MACMILLAN: That is our view.

Mr. McGEE: I think I should say one further thing in regard to this group. They have said throughout and have taken the position throughout that they are not trying to block this line as such. They admit and concede that the overall project is desirable. They have never questioned that. They have also indicated that if this proposed route turns out to be the best one, so be it. This is not a question of building fences or getting mothers with children and brooms to block the process of a public project, by any means. There certainly is not that intensity of feeling. This group simply wants to be completely satisfied that their alternative proposals which have been put forward are not practical.

Mr. CAMPBELL (*Stormont*): Mr. McGee, what is the prime objection to the railroad proposal? Is the objection that it will naturally depreciate property values and residential property values?

Mr. McGEE: That of course is part of it, together with the accompanying noise that these people have calculated in decibels of sound, and the fact that there has been a suggestion that the proposed line will create considerable difficulty in the adjacent classrooms of schools, in that teachers will not be heard.

As I say, these are some of the reasons that have been raised in objection. This group suggested in fact that the proposal of the Canadian National Railways and the proposal it submitted should be put before an independent board, and that the decision of that board would be binding on both. Now it can be argued, and it has been argued that the board of transport commissioners performs this function in a certain respect, and also that the various planning groups including the metropolitan planning group performs this function. Basically what this group wants is a statement made to the members of this committee in respect of the reason why the alternative proposals are not practical and not in the best interests of everyone concerned, why the alternative proposals are not practical and in the best interests of the public.

Mr. DRYSDALE: Has that plan been approved by the board of transport commissioners?

Mr. MACMILLAN: No, it has not.

Mr. DRYSDALE: It has been submitted to them?

Mr. MACMILLAN: No, sir.

Mr. DRYSDALE: When will you submit it to them?

Mr. MACMILLAN: As a route plan our plans are not submitted to them. The crossing details are.

Mr. DRYSDALE: So they have no supervision, actually, over the objections Mr. McGee has raised?

Mr. MACMILLAN: Frankly, they do not.

The VICE-CHAIRMAN: Probably Mr. MacMillan could answer those questions of yours now, Mr. McGee.

Mr. FISHER: I have one more question. Naturally, you took these representations to the source of the government in power, is that correct?

Mr. DRYSDALE: What do you mean by that, Mr. Fisher?

Mr. McGEE: As I say, I think we are wasting time getting into that. As I mentioned in the house the other day, there were continuing meetings between myself, the minister and representatives of this group, and Mr. Gordon or senior officials of the C.N.R. As I said in the house, every courtesy, and so on, was extended to me by the minister and the staff in bringing these proposals to the attention of the C.N.R.

Mr. FISHER: But the route still stands.

Mr. MACMILLAN: If I may, I would like to deal with Mr. McGee's points in the reverse order, the Thornhill one first. This is what I mentioned to you a little while ago was always known to us as a difficult spot. That is because we had to cross Yonge Street. That is a principal road running to the north of Toronto.

What we did here was, before we ever crystallized the location we took four different railway locating engineers, fellows who are professionals in this phase of the business. They made consecutive and independent studies of the crossing of Yonge Street. Involved in this were the engineering considerations and social considerations, if I may embrace them with that term.

Mr. DRYSDALE: Were they C.N.R. engineers?

Mr. MACMILLAN: Three were and one was not. These four men all reached the conclusion that the best place for crossing was in the immediate vicinity of where it is planned to cross it, by this route. This was all done before we ever publicized the choice.

After that time, as Mr. McGee said, there were several conferences with an engineering committee that had been appointed by those groups. We met with them on different occasions. There were innumerable telephone and personal discussions between one or more of the group. We explained at all these meetings what our position was. We gave them complete details of the location of the yard. They were proper there in requesting confirmation that the yard should be here. It is our view we were able to convince them that this was the proper location of the yard.

Having had those initial discussions, the engineering group came along with an alternate method of crossing, an alternate location over the crossing of Yonge Street, which was about two to two-and-a-half miles north of where we now have it.

The discussions then proceeded on the grounds of whether this crossing should be an over-crossing of Yonge Street by the railway or an under-crossing of Yonge Street by the railway. It was our view then, and still is, that in that location it had to be an over-crossing to meet the gradients that were involved. That is north of the one at Thornhill.

We went to work on the proposed alternative, and we took out all of the quantities and various engineering data that were required to make a determination of the prudence of that route. It was our view that this route had nothing to commend it over the more southerly route we have advocated. In mileage the northerly route, the alternate route, was about 2.6 miles longer for through freight. It was 3.3 miles longer for transfers of freight from the city, but was about 1.5 miles shorter for traffic that came off the Bala subdivision, because it was in closer to it.

We expressed the operational disadvantages that flow from this additional mileage in terms of dollars, and discovered it equated to about \$2½ million greater than we had in contemplation for the southern route; and the additional construction cost of crossing over Yonge Street would be about \$1 million. If we crossed over Yonge Street—which is what we said had to be—then the cost would be \$3½ million more than the lower route. I am corrected and told it should be \$2½ million—\$2½ million in the gross?

Mr. CANN: That is right.

Mr. MACMILLAN: \$2½ million in the gross. If we crossed under Yonge Street, as was recommended by the committee engineers, it would involve an additional construction cost of about \$1½ million.

Utilizing the more northerly route of the under-crossing of Yonge Street, that would cost about \$4 million more than the southern route. So much for the dollars.

On the question of the problem that arises, we encountered this situation, that we have tried throughout this entire project to work in active collaboration with the planning board of metropolitan Toronto. They, in the first instance, approved the existing crossing. We have come back to that board since that time. Representatives were heard of the parties at interest. They took time to deliberate on it, and they again ratified their earlier determination that the railways' choice of the route was the proper one. The last determination was last December.

I should also tell you that Yonge Street constitutes the boundary between the township of Markham and the township of Vaughan, lying to the west of Yonge Street. The Vaughan township council has, at all times, preferred the more southern crossing, and we have that council, in solemn session on June 1, 1959, passing a resolution endorsing our route and opposing the northern route that is proposed by the residents on the other side of Yonge Street. I would like to read you that resolution, if I may. It is in this language:

Be it and it is hereby resolved that the council of the corporation of the township of Vaughan supports the original southern rail by-pass

route, as proposed by the C.N.R. on March 11, 1959, and is opposed to the proposed northern route.

So that we have the elected representatives of the people on the west of Yonge saying to us: "You must not move," and we have a group on the east of Yonge seeking to move us. To move on to the east would cost some millions of dollars more, and I do not know what happens, in that event, with regard to the township of Vaughan. That is our quandary.

We conscientiously believe the southern route, the one we publicized a year ago, is the proper route and is the least objectionable of all.

Mr. SMITH (*Calgary South*): This might be a convenient point to adjourn, Mr. Chairman.

The VICE-CHAIRMAN: I was going to suggest that myself. It would appear we are not going to be able to get this bill completed by six o'clock, so I would suggest we adjourn now.

There is just one thing. We have here a member of the house who is not a member of the committee, and I think Mr. Cathers would like to ask a question. Is it agreeable to the committee that he does so?

Mr. DRYSDALE: Eight o'clock would be a good time to do that.

Mr. CATHERS: It was not going to be a question, but more an answer to the opponents of this plan, because this marshalling yard is completely in my riding. Where this pressure came from to have it pushed north was in the highly residential area of Bayview Avenue, where there are some very expensive homes. That is where the volume came from, to move this thing north.

I went before the metropolitan board when they had the hearing on this, and I pointed out it was as much a nuisance to a five-room house as it is to a 20-room house. As a matter of fact, it is more, because in a 20-room house you have room to move around in. But Mr. MacMillan has pointed out that this upper room was going to be three miles farther, and would cost \$4 million more; and besides that it would add to the congestion of those two lines going to Newmarket and to Barrie.

Let me say that this started when Donald Gordon came here and presented it to the members; then I went out, and I went right over the whole territory, and I came back with the suggestion to move the marshalling yard, because I was having a lot of opposition up in that area to move it over nearer to the Barrie highway.

I got a very satisfactory answer from Donald Gordon that because of the grades it was not reasonable. And an example of the reasonableness of the C.N.R. in taking suggestions was shown in our suggestion that the yard be moved over from Keele street by 800 feet, which proves that they accepted suggestions.

And as far as the Markham township is concerned, originally when the thing came through there was no opposition. As a matter of fact, it was approved by the council of Markham until a member who lives down in the Thornhill area raised the question and stirred the thing up, and then this group from Bayview stirred it up.

I do not think you could have chosen a better route, especially at Thornhill, where it crosses Yonge Street; you can have the best location there for a railroad that you could possibly have at any point on Yonge street; and I cannot help but add my support to the engineers of the C.N.R.; and I would also like to commend our Minister, because I know a little of the pressure that was brought to bear on him. But he took the stand that he was going to listen to all sides of it and then leave it to the engineers to finalize.

The VICE-CHAIRMAN: Gentlemen, we have lost our quorum, so we will have to adjourn now.

Mr. McGEE: I appreciate the warped description of the background of this situation.

The VICE-CHAIRMAN: We shall meet again at 8 o'clock.

Mr. HEES: I must explain to the committee that much against my wishes I cannot be here tonight, because several weeks ago I accepted an invitation to dine at the American embassy where they are entertaining the Governor General tonight. Naturally I feel I should like to be here, but I just cannot get out of this appointment.

The VICE-CHAIRMAN: The meeting is now adjourned until 8 p.m. tonight.

EVENING SITTING

TUESDAY, June 14, 1960.

8:00 p.m.

The VICE-CHAIRMAN: Order, gentlemen, we have a quorum. Mr. MacMillan has some information which Mr. McGee asked for, and which he will give to the committee at this time.

Mr. MACMILLAN: The first item is that this afternoon we were asked to make an estimate of the number of man-years involved in the labour content. We have considered this question and to the best of our ability at this moment we would estimate that there are about 5,000 man-years involved.

The second question which was left unanswered was again directed by Mr. McGee, and it pertained to the crossings in the territory east of Yonge street. I would record that I have, since that time, left with Mr. McGee a tabulation of all the crossings on the access lines, and contained in this material is a statement indicating our proposals for handling each crossing.

Mr. DRYSDALE: There goes the "division bell." It has been fun.

The VICE-CHAIRMAN: Gentlemen, do not forget that we have a committee meeting on. Do not forget to come back.

—And upon resuming.

The VICE-CHAIRMAN: Order, gentlemen.

Mr. MacMillan was just replying to some of the questions which Mr. McGee had asked, and he was talking about alternative routes. Please proceed, Mr. MacMillan.

Mr. MACMILLAN: Mr. Chairman and gentlemen: you will recall that before adjournment I had dealt with Mr. McGee's third route, and I would like now to work backwards.

The next one is the alternative that he proposed to be parallel to highway 407. That probably is the best way for us to identify that route.

The first point we make in respect to that is that the highway locating standards of the Department of Highways in Ontario do differ from those which are required for the railway. They are content to work to a gradient of three per cent maximum, whereas, as I said this afternoon, the grade on the railway should be something of the order of .7 per cent; so they can take a hill which is about four times as steep as the railway can. But the question of curvature is the same; it is three degrees of curve in both cases, so there is no difference there.

Then we get quickly to the problem of the crossing of Yonge street, and our advisors tell us that in their opinion there is no opportunity at the point which we now understand that highway 407 proposes to cross, for a right-of-way with the combined routes to be joined to permit the railway to be with them. There is an increase in width because of the necessity of the highway department, to

have an interchange over the clover leaf on Yonge street, and this necessitates considerably more space being dedicated to the route than would normally be the case.

Mr. MCGEE: In other words, the objection to the route parallel to 407 is ruled out because of the requirements of the department of highways of Ontario?

Mr. MACMILLAN: Yes, and at the crossing of Yonge street it does become very important.

Then there is another characteristic at that location that is difficult, and it is that there is a cemetery there which must be avoided.

Then another characteristic is that highway 407, since the time when we first began discussion with the highway department, has been relocated three times, and there is no final determination as to what location it will be built in, nor as to when it shall be built.

The highway, as we noted this afternoon, is north of our line; and that increases the distance of the access line with additional cost of construction, and with the attendant permanent cost of increased operating expenses.

Then I am advised that the approximate location of 407 is one of the locations that was considered by the engineering group of the Markham ratepayers association, and that it was abandoned by themselves as being very difficult, or, for that matter, impossible for a railway.

The last point I leave with you on the 407 route is that we still have the resolution of the township, to contend with, because that puts it right in an area which they dislike.

And the other alternate was the proposal to use the main line of the railway from Oshawa to the Newmarket subdivision which, you will remember, was in the location of Bathurst; and our observations about it are these: that this thing in itself does nothing to relieve congestion at this very congested location of Bathurst street; and in so far as the traffic from Oshawa and Uxbridge and the Bala subdivisions are concerned, they would still have to pass through this area.

But the manner of passing is not what causes us the greatest concern. They would come in south of the passenger tracks and they would have to cross the throat of those tracks to get into the Newmarket subdivision.

Now this is a very serious matter, because where you take a long freight train obliquely across passenger tracks, it, of course, nullifies all the trackage at this crossing during the time of the crossing.

It is estimated that there would be probably 50 cross-over movements each 24 hours, which are not now using that track and that the congestion over there would be greater than it is today.

Another point is that the Newmarket subdivision has very heavy grades on it, and this is one of the reasons we wish to bring freight trains in past it. If we were to take trains from the east up to Newmarket, then it would be necessary for us to add additional motive power to move them up the hill; and it also preserves an operating disability at what is known as Scarborough hill; and it was at Scarborough hill in the days of steampower that we had to maintain a pusher locomotive to shove the trains up, and for which we now have an additional diesel unit.

This last feature was that this would cause such a congestion on the Newmarket subdivision that we could not contemplate that there could be any discussion about utilizing that subdivision for commuter traffic.

That is about all I have to say in this connection.

The VICE-CHAIRMAN: Does that pretty well answer your questions, Mr. McGee?

Mr. MCGEE: Yes. In other words, there are reasons advanced why these alternate proposals could not be adopted, and they are substantially in the form that the De Leuw Cather report did not contain, that is, the type of information which it was assumed on the part of the ratepayers that it did.

Mr. MACMILLAN: I am very glad to confirm that. It did not.

Mr. MCGEE: One final question on the route generally, and concerning this matter about the distance from Toronto: according to the other instructions and reports that were made by this group, it was that the population growth and expansion of the metro area would virtually put that line in the centre of the city, when the intention was to move it upward and outward to the perimeter.

I wonder if you could comment on what the reply is to the question, or to the suggestion that this whole route should have been moved, let us say, a mile or so further north.

Mr. MACMILLAN: I think our answer to that is that we would like to get this extra line as close to the heart of the development as we can, and this is the location which achieves that.

If the development were to move north, it then becomes more "uncentred" than it is now, and if it were possible to project a line across the top of Toronto closer in, I think that that would be the choice. Would you share that view, Mr. Cann?

Mr. CANN: Yes, and in addition that yard is to serve Toronto; therefore the closer we can bring it to the centre of gravity, the more we can reduce our operating costs and improve our services.

Mr. MCGEE: In other words, if this line were made parallel to 401, it would have suited your purposes better in terms of location?

Mr. CANN: Yes, I think that would be the answer to that.

Mr. MCGEE: And was that considered?

Mr. CANN: No, because of the built up area it happened to go through, and because of the relatively little movement. As you pass along 401 on the highway you appreciate the ups and downs of the terrain through there, and if we wished to circle around it, we would not have the space to do it. Therefore we could not climb these hills the same way that 401 can. But in terms of relativity, it would have been a good location.

Mr. MACMILLAN: This was the problem, to locate a yard contiguous to that route.

Mr. MCGEE: One final comment in view of the comments made by the member for North York. He had suggested in a rather not too thinly veiled manner that the centre of objection against this route had come from a group of Bayview avenue millionaires. Rather than leave that suggestion on the record I would like to put on the record my suggestion that the majority of the numerical complaints which I as a sitting member received in respect of the route through Thornhill were from the much more modest and populous area to the north in Doncaster and the subdivisions at that point.

While it is true that many of the persons who participated in the engineering committee came from the Bayview area, they participated more because of their talents, in some cases legal, in others engineering, and in one particular case—

An hon. MEMBER: Political?

Mr. MCGEE:—a considerable background in railroad engineering. I just wanted to clear the record and counter the suggestion made by the hon. member for York North.

The VICE-CHAIRMAN: Shall clause 1 carry?

Mr. FISHER: I have a couple of questions in relation to the actual property. I would like to know how far the railway has gone in obtaining property?

Mr. MACMILLAN: To date we have purchased 21 parcels comprising 1,281 acres. There are to be acquired 5 more parcels comprising of 200.9 acres.

Mr. FISHER: What is the average price paid for it?

Mr. MACMILLAN: I will have to figure it out.

Mr. DRYSDALE: What is the range?

Mr. CANN: A minimum of \$1,000 to a maximum of \$4,000 which would include land damage to other property.

Mr. MACMILLAN: Is that sufficient?

Mr. CHOWN: I hope that is per acre.

Mr. MACMILLAN: Yes.

Mr. FISHER: Is there any possibility you may have to expropriate?

Mr. MACMILLAN: What was done, sir, is that the initial plan was an expropriation plan but beyond having it filed we have not used the expropriation power in any way. The acquisitions have been done by bargain and sale. That is the way it has been conducted.

Mr. FISHER: In terms of the whole project of \$87 million plus, what is the estimated part of that that will be required for land purposes.

Mr. MACMILLAN: \$13 million.

Mr. FISHER: Has most of it been expended?

Mr. MACMILLAN: No; it has not. We have expended \$5,800,000 approximately.

Mr. FISHER: Can you give the assurance that you have not run into any attempt to hold you up for higher prices or that there is any chance that speculators have got in and made any particular profits out of line in the disposing of property.

Mr. MACMILLAN: I think I can give you assurance on that latter point. On the point as to whether or not we are held up, it is a little too early to say. We do know in the instances in which the asking price was considered reasonable we are prepared to deal with them. There are a few troublesome spots where the asking price has been more than we consider the property is worth, and those cases have not been settled yet.

Mr. FISHER: You are absolutely sure in your mind that the controversy in so far as it boiled up over this is past and done in the main and is unlikely again to occur

Mr. MACMILLAN: I can say this, that since last January we have not heard of the two controversies beyond one day I had lunch with one of the gentlemen whom Mr. McGee mentioned. He is the only one with whom we have had any contact since that time. That was the occasion on which the metropolitan Toronto planning board last dealt with these problems.

Mr. McGEE: Is there any other aspect of the complaints which has not been raised either by myself or any other member of the committee to date that you can recall?

Mr. MACMILLAN: Yes. We had a situation at Dunbarton that has not been raised here today, but our feeling is that that one has been resolved.

Mr. DRYSDALE: Practically speaking as soon as you have filed the plan and the property is expropriated, the only thing left to do is settle the price and if they want to go to court about it, it is up to them.

Mr. MACMILLAN: Yes.

Mr. DRYSDALE: So it would just be a matter of them going to their lawyers and saying whether they would like to settle at such and such a price or whether they would like to take it to court in an attempt to get a higher price.

Mr. MACMILLAN: I did not think that was what Mr. McGee meant. I thought he meant had there been any different point in this which had not been raised today, and I answered frankly that we had a problem at Dunbarton. We attempted to cooperate with them and had alternates and so on.

Mr. DRYSDALE: It was in reference to the statement Mr. Fisher was making, because under those circumstances you would not expect to find any difficulty. As soon as the plan is filed the land is expropriated and it is a case of arriving at the price. Nothing can be done about the property expropriated. It is just a question of whether or not they want to go to court to get a better price.

Mr. FISHER: You will remember we had one stink at Malton.

Mr. MACMILLAN: One reason for the expropriation is to head off speculation. It crystallizes the property in the hands of all the people who owned it before. If it were to be disclosed, some of these properties would tend to pass into the hands of people who are prepared to speculate. We do not like that. We would much prefer to deal with the true owner.

Mr. MCGEE: Moving on to the question as to what is the attitude of the railway, I hope I can say the obvious explanations which were requested by the ratepayers groups have been answered to their satisfaction. Only time will tell concerning that. Assuming that to be the case, I would like to enter into some discussion as to what will be the attitude of the railway toward the areas affected on either side. There has been a suggestion that a buffer strip of 150 feet on either side of the line as it goes through the residential area be expropriated as well. There has been a suggestion that an attempt be made to lower the point at which the line goes under Yonge street through Thornhill. The idea there is that if the line was lower in the ground much of the noise and disturbance would be minimized. There is also a suggestion concerning the imposition of a possible speed limit for trains passing through the fairly heavily populated area, and some restraining action on the number of whistles and so on, again related to the disturbance factor. Perhaps it is hard for members to appreciate just what a quiet peaceful spot this was which suddenly is faced with a main line railway running through the center of town. What is the plan for compensating property owners whose adjacent properties have depreciated considerably because of the imposition of this line? If it were other than a residential area perhaps a property owner would hope to compensate for the loss he would sustain in property values from being so close to a line by the property becoming a part or parcel of some industry that might want to locate close to the line. I am just wondering what your comments might be and what the general attitude of the railroad is towards this type of suggestion.

Mr. MACMILLAN: Mr. McGee, I take it you do not wish me to attempt to answer this individually; but rather a more general statement regarding that type of matter.

I think I should begin on the note that the Canadian National has every desire to be a good neighbour. I used that expression this afternoon. We wish to do these things decently. In so far as it is practical to do them, we wish to do them in a manner that is the least objectionable to anyone.

The question of whistling is one that does not arise, because we whistle only at level crossings. Then the matter of whistling is under the control of the board, and the board will remove the statutory obligation to whistle on a resolution of the municipality or the community affected.

With regard to the question of the elevation of the grade, and matters of that kind, our attitude is to do it in the manner that is least objectionable. There are many areas, strips of territory, through which we will pass, where we, in the acquisition of property, have acquired triangular bits, and little bits of surplus. Where there is any reason to do so, we have no objection to planting some trees in them—and we will.

On the general proposal that the running of a line through a district deteriorates it to the point of depreciating the property in value, we are of the view—and I say this to you in all sincerity—that it does not work that way. All through the country we have example after example of residential communities building up alongside railways that are there, property continuing to enhance in value, and we have that very situation in respect to this. Our surveys have indicated that through Thornhill, for example—which has been much publicized—there are 22 new houses being built at this moment, either just finished or being built, on sites that are within 700 feet of the track, and in many cases closer to the track than some of the ones that were there before.

Mr. McGEE: If I could interrupt there, Mr. MacMillan; surely you are not suggesting that a piece of residential property immediately adjacent to this proposed line will increase in value because of the introduction of this line?

Mr. MACMILLAN: No, I did not say that. What I said was that the premise that it will deteriorate in value is one that we find difficult to accept, because our experience in the country, in Canada, does not confirm that. What I did say was that I can give you any number of examples in which residential development has come to the railway, and has been created in the face of the railway, and contiguous to the railway.

Mr. McGEE: I would suggest to you, sir, that this usually has come about as a result of the appreciation in value—in other words, a shortage of available building space; but surely on any lot plan in a subdivision, the value assigned to the lot immediately adjacent to such a line as this would not have as high a value as one on the other side of the street, for instance?

This, I think, is a fact that can be supported by many members of the committee who have had dealings in real estate.

Mr. MACMILLAN: I think that it is a question of degree; but I do not think that it is nearly as serious as one's immediate impressions.

Mr. McGEE: And there was one final thing, Mr. MacMillan. There was one rather nasty suggestion. One individual, in the original plan—the line was going between his living room and kitchen, and naturally he was disturbed about this. It turned out that there was a revision in the route of the line, and it just missed his house, which puts him in somewhat of a worse position.

Some persons have gone as far as to suggest that this was a spiteful action on the part of the railroad, which I am sure you will confirm to the contrary.

Mr. MACMILLAN: I am not familiar with this case; but I can assure you there was no spite in it. We do not do that.

Mr. DRYSDALE: Mr. MacMillan, does the Railway Act, in the expropriations, provide for compensation for severance and injurious affection?

Mr. MACMILLAN: Yes, it does. In instances in which the railway requires a piece of a holding—it does not much matter how small it is—then the remainder of the holding is subject to severance compensation.

This varies, in accord with the circumstances. If it cuts it off, leaving no segment on the other side of the railway, it is less than if we go through the middle of the same place and divide a man's farm, or his property into two halves. It is because of that that in the figures I gave Mr. Fisher we

added an acreage that was in excess of our requirements. It was cheaper to do that than it was just to take what we needed and pay him substantial amounts for that which we did not—that were isolated.

Mr. DRYSDALE: Then is your policy, in situations such as the one Mr. McGee mentioned, or where there would be vibrations from the railroad, to expropriate the full amount of the property

Mr. MACMILLAN: If there is going to be any impact, yes. I do not know about vibrations; but if there is a direct relationship—if the individual suffers in a manner that is unique, or differs from his fellow man, then my understanding of the law is that he is entitled to compensation.

Mr. MCGEE: Mr. Chairman, I wonder if the witness would comment on this? This is a section from this report of the ratepayers:

It is a matter of public knowledge that the compensation payable in connection with the acquisition of right-of-way, and damage to neighbouring properties, is woefully inadequate and, in effect, constitutes compensation only in name, and not in fact.

Mr. MACMILLAN: I do not really know what that means, Mr. McGee. I think, as Mr. Drysdale pointed out here, we have no machinery in which we force anybody to take any amount of compensation. We cannot fix the compensation. We can discuss with him the amount of compensation which we consider is payable, and if he is agreeable, it can be disposed of. If he is not, then the law protects him and he is entitled to proceed to have the award made by the Exchequer Court.

Mr. MCGEE: Except, perhaps, for the obvious difficulty facing a modest property owner, who would be likely to encounter far more legal costs in the process than he would ever recover from an increased award.

Mr. DRYSDALE: What is your procedure in that case, Mr. MacMillan: does the C.N.R. have their own men make the property evaluation, or is it done by, say, an outside firm of evaluators?

Mr. MACMILLAN: We do it both ways.

Mr. DRYSDALE: Then the procedure, I suppose, is to make an offer on that basis; is that right?

Mr. MACMILLAN: The procedure we follow is this: our people make an evaluation, and if we are able to dispose of the case on the basis of that evaluation, that is the end of it. If we cannot, then we employ an independent appraiser and we ask the former owner to do likewise. Then we try to have these two independent people come to an agreement as to what the compensation ought to be. Very frequently this is successful.

Mr. CHOWN: But you do not pay the fee of the home owner's appraiser?

Mr. MACMILLAN: No; but it is always there, some place or other.

Mr. CAMPBELL (*Stormont*): The area of a cut would preserve some of the amenities; but would it be prohibitively expensive? I suppose it would depend on the area?

Mr. MACMILLAN: The cut, with regard to Yonge Street

Mr. CAMPBELL (*Stormont*): I say, the idea of a cut to preserve some of the amenities and to conceal the railway seems to have a great deal of merit, provided it is not prohibitively expensive.

Mr. MACMILLAN: It becomes expensive; but I forgot to say to Mr. McGee that, in respect of Yonge Street, we are 35 feet under the road when we go under Yonge Street. We are 'way down there.

Mr. MCGEE: Would there be any possibility in the development of using some of the cut to provide fill on either side of the level part, or where the

roadbed would be exposed above properties; a sort of mound of earth which would do something which would shoot this sound off up in the air, rather than have it come out?

Five schools are involved here and are affected, to a degree—to say nothing of the large number of residences I have mentioned. Also, I would like to get some kind of undertaking, appreciating what has already been said about being good neighbours, about your attempt to do perhaps something a little more to minimize that disturbance.

Mr. MACMILLAN: I would think, Mr. McGee—and I would like to consult with Mr. Cann on this—that the amount of material we will get out of any cut would be inadequate to provide the type of baffle that you have in mind. What you have in mind, perhaps, is the type of earthwork that is found surrounding explosive stores, oil tanks and things of that kind. What would your views be, Mr. Cann?

Mr. MCGEE: You are digging a ditch 35 feet deep for a considerable length on the ground. I am suggesting simply that digging be devoted as much as possible to this type of ground.

Mr. MACMILLAN: In the yard you will remember I mentioned that we had to move out 4 to 4½ million yards. It is interesting to learn that all of this is required to fill the valleys right on the yard. We do not expect to have to waste any. But it is a worth while idea, and we will be prepared to look at that.

The VICE-CHAIRMAN: Any further questions, gentlemen?

Shall clauses 1 to 4 carry?

Clauses 1 to 4, inclusive, agreed to.

Mr. CHOWN: Clause 5 fixes the absolute maximum at \$100 million. It overrides your 15 per cent carry-over?

Mr. MACMILLAN: This included the 15 per cent.

Mr. CHOWN: I see; thanks.

The VICE-CHAIRMAN: Shall clauses 5 to 10 carry?

Clauses 5 to 10, inclusive, agreed to.

The VICE-CHAIRMAN: Shall the schedule carry?

Schedule agreed to.

The VICE-CHAIRMAN: Have you a question on the schedule, Mr. Fisher?

Mr. FISHER: After the schedule I have a question.

The VICE-CHAIRMAN: Shall the title carry?

Title agreed to.

Mr. FISHER: Mr. Chairman, I want to ask Mr. MacMillan, is there a statute under which you are required or are able to cooperate with the Canadian Pacific Railway?

Mr. MACMILLAN: Yes, sir.

Mr. FISHER: Does that statute enable you to cooperate in such things as studying the traffic patterns, arrangements for the interchange of cars, and that type of thing?

Mr. MACMILLAN: Yes. I do not know that we do that under the legislation, but these studies are going on all the time.

Mr. FISHER: We have, on the one hand, the requirements that you cannot produce information because of a competitor and yet, at the same time, we have a statute that asks you to get together with your competitor?

Mr. MACMILLAN: It is different information, Mr. Fisher.

Mr. FISHER: Let me ask you, in connection with this particular project, what getting together was there with the C.P.R.?

Mr. MACMILLAN: In the first instance, when we reached the point of announcing the project we advised the C.P.R. right away, and since that time there have been—I was going to say “continuing conferences”. That, perhaps, is a little too strong, but there have been many conferences and discussions between the engineering officers of both companies regarding what specifications we were following, what the gradients are going to be, what the curvature is going to be, where the location is, and all questions of this nature. They have been going over them.

Mr. FISHER: Amicably and cooperatively?

Mr. MACMILLAN: Yes.

Mr. FISHER: I just wanted to get this settled so we could find certain realms where you do things amicably with your competitors.

One last question: What will this ultimately do for you in terms of being able to keep more box cars in Canada, and also to provide a better return of box cars to the west, where on occasion there is a crying shortage?

Mr. MACMILLAN: It will help us materially in the latter category. One of the fruits of this project is the greater utilization of equipment. As matters are today in the Mimico yard and in the Scarboro yard we very often have congestion there to the point at which cars stand 15, 16, 18 hours before they have been switched out and can be delivered. We will be able to do this switching very quickly, on the same morning, the same afternoon, the same evening as that on which they come into the new yard. It will permit the turn around to be very much faster.

The problem on the United States equipment is that our equipment goes to the connecting carrier at the point of interchange, normally at the border, and passes into the hands of the American carrier. Then we have very little control over the time within which it is returned to us.

Mr. FISHER: It is true there tends to be a deficit balance?

Mr. MACMILLAN: Yes.

Mr. FISHER: And this will have no effect on it at all?

Mr. MACMILLAN: No, I do not think so.

Mr. FISHER: Is not your railway one of the larger services for perishable goods that come into the market there, near Mimico?

Mr. MACMILLAN: We handle our share.

Mr. FISHER: Would these trains have to go through this marshalling yard after it is introduced?

Mr. MACMILLAN: I would expect that if these are solid trains destined to the fruit terminal, that is where they would go. Would you mind answering that, Mr. Hayes?

Mr. J. D. HAYES (*General Superintendent, Southern Ontario District*): That is correct. They do not, necessarily, need to go to the yard.

Mr. MACMILLAN: That is refrigerated equipment, largely.

Mr. FISHER: I wonder if, as the honourable member for York North is here now as well as the honourable member for York-Scarborough, whether he would wish to say anything?

An Hon. MEMBER: Are you going to act as referee?

The VICE-CHAIRMAN: Do you have another question, Mr. McGee?

Mr. CAMPBELL (*Stormont*): This business of concealing information from competitors, was that not a spacious alibi, and the real reason you cannot expect to get any candid reports on operation and management, if it is going to be publicized and be the subject of controversy. Is that not the real reason? Otherwise you are not going to get from competitors candid reports, and it will frustrate your endeavours to elicit information

Mr. MACMILLAN: The latter reason is well founded in my view, and a consultant will only give you their true opinion if it is received in that atmosphere.

The VICE-CHAIRMAN: Shall the title carry?

Title agreed to.

Mr. MCGEE: What relationship is there between this line and the proposed C.P.R. marshalling yard located just east of Agincourt?

Mr. MACMILLAN: It is projected right in that crotch, just like the crotch of a tree.

Mr. MCGEE: There would be interchange of cars or portions of trains or anything of that nature?

Mr. CANN: This is one of the matters that Mr. MacMillan mentioned we have been talking about. Mr. Miller of the C.P.R. and myself have been talking around it somewhat.

Mr. MCGEE: As a matter of fact, one of the suggestions when this proposal first came up was that these two marshalling yards might be put together and operated as one. What is your comment about that?

Mr. MACMILLAN: Well, it cannot be operated as one, because the moment you inject the traffic of more than one railway into a yard then, you must add another yard. There is nothing opposing the two yards being immediately contiguous. That is the situation in Montreal; the new C.P.R. hump yard and our hump yard are side by side. However, you cannot bring them in because, you see, as you will recall from Mr. Cann's explanation of the operation of the yard, there were classification tracks—and I think there were 81 in number. Those were required for our traffic alone. If the C.P.R. traffic were to be pushed over the same hump, we would have to add the number of classification tracks that are required for their traffic, and we would reach a point on the extremity of the lateral projections where the curvature would not permit it to go on.

Mr. MCGEE: Mr. Chairman, may I ask how many copies of these proceedings will be available, in case persons wish to obtain them?

The VICE-CHAIRMAN: There will be 750 copies in English and 250 in French.

Mr. DRYSDALE: Mr. Chairman, could we file a facsimile of the chart to which we have been referring throughout the proceedings?

The VICE-CHAIRMAN: Did you ask if we could file it?

Mr. DRYSDALE: Yes. It would be of help to many thousands of people in Mr. McGee's riding, and there was a great deal of reference made to it.

Mr. FISHER: How many are there in your riding, Mr. McGee?

Mr. DRYSDALE: 200,000 people.

An Hon. MEMBER: A quarter of a million.

The VICE-CHAIRMAN: Will it be possible to have that?

Mr. MACMILLAN: Yes, but I would like to have a clearer idea how big it will be. However, we will do that for you.

Preamble agreed to.

Title agreed to.

The VICE-CHAIRMAN: Shall I report the bill, without amendment?

Some Hon. MEMBERS: Agreed.

The VICE-CHAIRMAN: The Clerk has just informed me that we do require a special motion for the number of copies to be printed. The committee has power to print such numbers as they decide.

Mr. MCGEE: Mr. Chairman, I merely wanted to inquire how available it would be to persons who would be interested in obtaining a copy, and how many normally would be printed.

The VICE-CHAIRMAN: Usually 750 copies in English and 250 copies in French.

Mr. FISHER: Let's make it 1,000.

The VICE-CHAIRMAN: Will someone make a motion to the effect that we will have 750 copies printed in English and 250 copies in French?

Mr. CHOWN: I so move.

Mr. DRYSDALE: I second the motion.

The VICE-CHAIRMAN: All those in favour? Contrary, if any?

The motion is carried.

The next meeting will be at the call of the chair.



CANADIAN NATIONAL RAILWAYS CENTRAL REGION
TORONTO TERMINAL PROJECT

MAP SHOWING HUMP YARD AND ACCESS LINE

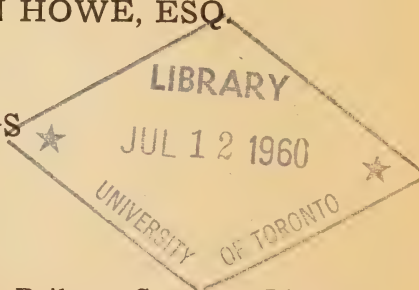
HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament
1960

STANDING COMMITTEE
ON
**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Vice-Chairman: W. MARVIN HOWE, ESQ.

PROCEEDINGS
No. 24



Bill S-24, An Act respecting Wabush Lake Railway Company Limited
and Arnaud Railway Company.
and the eleventh report to the House thereon.

TUESDAY, JUNE 28, 1960

WITNESSES:

Messrs. M. D. Morton, M.P., Sponsor of Bill S-24; A. S. Pattillo, Q.C., of Toronto, Counsel *for the proponents*; Walter Williams of Cleveland, Ohio, Director of Pickands, Mather and Co.; William Scully of Hamilton, President, Steel Company of Canada Limited; Jacques deBilly of Quebec, Que., of Gagnon, deBilly, Cantin and Dionne; Keith Benson of Pickands, Mather and Co.; W. E. P. DeRoche, Blake, Cassels and Graydon: and, *for the opponents*, Messrs. John L. O'Brien, Q.C., Counsel; and William H. Durrell, President, Carol Lake Company and Vice-President, Quebec North Shore and Labrador Railway.

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

Allmark,	Deschatelets,	McGee,
Asselin,	Drysdale,	McGregor,
Badanai,	Dumas,	McPhillips,
Baldwin,	Fisher,	Monteith (<i>Verdun</i>),
Bell (<i>Saint John-Albert</i>),	Garland,	Pascoe,
Bourbonnais,	Grills,	Payne,
Bourget,	Horner (<i>Acadia</i>),	Peters,
Bourque,	Horner (<i>Jasper-Edson</i>),	Phillips,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pigeon,
Brassard (<i>Lapointe</i>),	Keays,	Pratt,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Rapp,
Bruchési,	Lessard,	Rogers,
Cadieu,	MacInnis,	Rynard,
Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Smith (<i>Calgary South</i>),
Campeau,	Martin (<i>Essex East</i>),	Smith (<i>Lincoln</i>),
Chevrier,	Martini,	Smith (<i>Simcoe North</i>),
Chown,	Michaud,	Thompson,
Creaghan,	McBain,	Tucker,
Crouse,	McDonald (<i>Hamilton South</i>),	Valade,
Denis,		Wratten—60.

Eric H. Jones,
Clerk of the Committee.

CORRIGENDUM (*English Edition only*) *Proceedings No. 20, May 26, 1960* Page 1209, 15th line from bottom: delete "\$4,000" and substitute "\$40,000". (Page 1242 refers.)

ORDERS OF REFERENCE

HOUSE OF COMMONS,
FRIDAY, June 24, 1960.

Ordered,—That Bill S-24, An Act respecting Wabush Lake Railway Company Limited and Arnaud Railway Company, be referred to the Standing Committee on Railways, Canals and Telegraph Lines.

WEDNESDAY, June 29, 1960.

Ordered,—That the quorum of the Standing Committee on Railways, Canals and Telegraph Lines be reduced from 15 to 11 Members, and that Standing Order 65 (1) (b) be suspended in relation thereto.

Attest.

LÉON-J. RAYMOND,
Clerk of the House.

REPORTS TO THE HOUSE

WEDNESDAY, June 29, 1960.

The Standing Committee on Railways, Canals and Telegraph Lines has the honour to present the following as its

ELEVENTH REPORT

Your Committee has considered Bill S-24, An Act respecting Wabush Lake Railway Company Limited and Arnaud Railway Company, and has agreed to report it without amendment.

A copy of the Minutes of Proceedings and Evidence relating to the said Bill is appended.

Respectfully submitted,

W. N. HOWE,
Vice-Chairman.

WEDNESDAY, June 29, 1960.

The Standing Committee on Railways, Canals and Telegraph Lines has the honour to present the following as its

TWELFTH REPORT

Your Committee recommends that its quorum be reduced from 15 to 11 members and that Standing Order 65(1)(b) be suspended in relation thereto.

Respectfully submitted,

W. N. HOWE,
Vice-Chairman.

MINUTES OF PROCEEDINGS

TUESDAY, June 28, 1960.

(39)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Vice-Chairman, Mr. W. M. Howe, presiding.

Members present: Messrs. Asselin, Bourget, Brassard (*Chicoutimi*), Browne (*Vancouver-Kingsway*), Chevrier, Chown, Horner (*Acadia*), Howe, Martini, McBain, McDonald (*Hamilton South*), McGee, McPhillips, Phillips, Rapp, Rogers, Smith (*Simcoe North*), Tucker and Wratten—(19).

In attendance: Messrs. M. D. Morton, M.P., Sponsor of Bill S-24; Ronald C. Merriam, Q.C., of Ottawa, Registered Parliamentary Agent for the proponents of the Bill; A. S. Pattillo, Q.C., of Toronto and W. E. P. DeRoche of Toronto, Counsel for Mr. Merriam; William Scully of Hamilton, President, Steel Company of Canada Limited; Keith Benson, of Pickands, Mather & Co. of Cleveland, Ohio, and Secretary of Wabush Iron Company Limited; Jacques deBilly of Quebec, Que., of Gagnon, deBilly, Cantin & Dionne; Walter Williams, Director, Pickands, Mather & Co., of Cleveland; William H. Durrell, President, Carol Lake Company and Vice-President, Quebec North Shore and Labrador Railway; and John L. O'Brien, Q.C., and Robert S. O'Brien, Counsel for Mr. G. J. Gorman, Registered Parliamentary Agent for the opponents of the Bill.

The Committee proceeded to consider a private Bill, namely

Bill S-24, An Act respecting Wabush Lake Railway Company Limited and Arnaud Railway Company.

The Clerk read the Order of Reference dated June 24, 1960, whereby the said bill had been referred to the Committee.

On the Preamble

Mr. Morton introduced Mr. Pattillo, Counsel for the promoters, who, in turn, introduced his witnesses.

Heard in explanation of the bill and of the construction and operations which it is proposed will result therefrom, were Messrs. Pattillo, Scully and deBilly. Mr. deBilly spoke briefly in French and was questioned in French; the evidence in French was not recorded nor interpreted, there being no French reporter nor French-English interpreter in attendance. Messrs. Williams, John L. O'Brien and Benson answered questions which were referred to them.

On motion of Mr. Asselin, seconded by Mr. McDonald (*Hamilton South*),

Resolved,—That the Committee print 750 copies in English and 250 copies in French of its Minutes of Proceedings and Evidence in respect of Bill S-24.

The witnesses for the proponents being still before the Committee, at 10.55 o'clock a.m. the Committee adjourned until 3 o'clock p.m. this day.

AFTERNOON SITTING

TUESDAY, June 28, 1960.
(40)

At 3 o'clock p.m. the Committee resumed its consideration of Bill S-24, the Vice-Chairman, Mr. W. M. Howe, presiding.

Members present: Messrs. Asselin, Bourget, Brassard (*Chicoutimi*), Campbell (*Stormont*), Campeau, Fisher, Horner (*Acadia*), Horner (*Jasper-Edson*), Howe, Johnson, Martini, McBain, McDonald (*Hamilton South*), McGee, McPhillips, Monteith (*Verdun*), Pigeon, Rynard, Smith (*Simcoe North*), Tucker, Valade and Wratten—22.

In attendance: the same as at the morning sitting of this day except that Mr. Robert McInnes of Pickands, Mather & Co. substituted for Mr. Benson.

The Chairman introduced the witnesses for the opponents of the bill, namely Mr. William H. Durrell and his counsel, Messrs. John L. O'Brien, Q.C., and Robert S. O'Brien.

The said opponents having filed with the Private Legislation Branch a summary of the grounds for opposition, Mr. John L. O'Brien was called and he elaborated on his client's grounds for opposition to the bill.

During Mr. O'Brien's address, Mr. Pattillo, by permission, interjected comments and answered questions arising therefrom.

Mr. Pattillo spoke in rebuttal.

The Preamble, Clauses 1 to 6, and the title were severally carried; the bill was carried without amendment.

Ordered,—That Bill S-24 be reported to the House without amendment.

On motion of Mr. McPhillips, seconded by Mr. Asselin,

Resolved,—That the Chairman report to the House recommending that the quorum of the Committee be reduced from 15 to 11 members.

A French-English interpreter and a French reporter respectively interpreted and recorded questions and answers made in French during the afternoon proceedings of this day.

At 5.05 o'clock p.m. the Committee adjourned to the call of the Chair.

Eric H. Jones,
Clerk of the Committee.

NOTE: Text of the Proceedings recorded in the French language appears immediately following this day's Evidence.

REMARQUE: Le texte des témoignages recueillis en français figure immédiatement à la suite du compte rendu des délibérations de la séance d'aujourd'hui.

EVIDENCE

TUESDAY, June 28, 1960

The VICE-CHAIRMAN: Gentlemen, I see a quorum. There has been a suggestion as to the propriety of our removing our coats. What is the feeling of the committee?

Mr. SMITH (*Simcoe North*): I feel that if we wish to remove our coats, we should be free to do so.

The VICE-CHAIRMAN: All right. Then it will be quite in order if you wish to remove your coats. Now, I shall ask the clerk of the committee to read our order of reference.

The Clerk of the Committee:

FRIDAY, June 24, 1960.

Ordered—That bill S-24 an act respecting Wabush Lake Railway Company Limited and Arnaud Railway Company, be referred to the standing committee on railways, canals and telegraph lines.

The VICE-CHAIRMAN: Thank you, Mr. Clerk. I now call the preamble to this bill, and I shall ask Mr. Morton, the sponsor, to introduce the promoters and their counsel.

Mr. MORTON: Mr. Chairman, and gentlemen: I shall introduce the counsel, Mr. Arthur S. Pattillo, Q.C., who will introduce his people. Therefore, without spending further time, I ask Mr. Pattillo to come forward.

The VICE-CHAIRMAN: Gentlemen, I take it that we have present some opponents to this proposed legislation; if they wish, they may come up and sit on the other side.

Mr. ARTHUR S. PATTILLO, Q.C. (*Counsel for Wabush Lake Railway Company Limited and Arnaud Railway Company*): Thank you, Mr. Chairman.

Mr. Chairman and gentlemen: I am here representing the persons who are interested in having this bill passed with respect to the Wabush Lake Railway Company Limited and the Arnaud Railway Company. I have with me Mr. William Scully, president of the Steel Company of Canada Limited. He will say a few words to you as to why this bill is important to the steel company.

I also have with me Mr. Jacques deBilly, of the firm of Gagnon, deBilly, Cantin and Dionne of Quebec City, who has done the work in the province of Quebec for this company, and also Mr. Keith Benson, of Pickands, Mather & Co. of Cleveland, Ohio. Pickands Mather & Co. is a partnership whose head

office is at Cleveland, and it is very interested throughout this continent and the world in the iron ore business.

I also have with me Mr. Walter Williams, who is a director of Pickands Mather & Co., and who is in charge of the construction work which has been done, and which we hope to do in the north; and Mr. W. E. T. DeRoche, a partner of mine, who is the original draftsman of this bill, and finally Mr. Ronald C. Merriam, who is our parliamentary agent.

Now, gentlemen, I shall go to the map and explain a few points to you. If you look at this map you will see that this is a section of the Quebec, North Shore and Labrador Railway running from Seven Islands to a point known as mile 224. You will see it just slightly north of the boundary between Quebec and Newfoundland.

This railway was erected following an act of parliament in 1949, as a federal railway running from Schefferville in the north, down to Seven Islands in the south, for a distance of 357 miles. At mile post 224 there is a railway, the tracks of which have been completed, running over here for a distance of 40 miles. It is the Wabush Lake Railway and the Carol Lake Railway, and I will explain that in a few moments.

Briefly, the situation is this: the land and the tracks are owned by a company known as Northern. But Northern is not a railway company and it is not going to operate the railway.

Mr. CHEVRIER: What is the full name of that company?

Mr. PATILLO: Northern Land is the full name. The shares in Northern Land are equally owned by the Wabush Lake Railway Company Limited and the Carol Lake Railway, and those two concerns, through their parent company, equally put up the money which was necessary to build this line.

Now, the scheme is that they will have equal running rights; that is, the two railways will have equal running rights over these 40 miles of track. The Carol Lake Railway is to be a private carrier, while the Wabush Lake Railway Company Limited is to be a common carrier.

If you will look down here at the southern part of the railway you will see a yellow line which commences at mile seven, and which skirts the back of Seven Islands, and comes in at the other side of Seven Islands, at a point called Pointe Noire, and that is a distance of 20 miles.

The reason for the railway coming into being is that the docks now used by the Iron Ore Corporation are the Iron Ore Corporation docks, and they do not belong to the Quebec, North Shore and Labrador Railway. Their docks are used entirely for their own purposes. So we have to build our own docking facilities over on the other side of the bay; and in order to get the land we needed, we had to go around to the other side of the bay, and we had to build this 20 mile railway.

This railway is known as the Arnaud Railway Company, which is the name of the township. This railway has not yet been put on the ground. The right of way has been secured, and we are ready to go. The docking facilities have already been acquired.

Perhaps I can give you a better picture of the whole railway. Here is Schefferville up here, and here is mile 224, while down here is Seven Islands. Now, what are we proposing to do?

This is Wabush lake here, and we have large deposits of iron ore there which we estimate will yield to us 600 million tons of concentrates. That is the amount that we have proved up at the moment. We estimate that when we are fully operating, we will be producing ten million tons of concentrate a year.

This town which we propose to have here will have a large concentrating plant. At the present time we have constructed and have in use a pilot plant. We anticipate that we will give direct jobs to 2,000 employees; and my personal estimate is that if we do that, you can figure on other jobs which will be created by the town, such as merchandising, services, and that sort of thing, which will make a town in the vicinity of from eight to ten thousand people.

Our original plan is to build 600 family home units, and also to build dormitory units for another 600 people. We will do that immediately at the start. As you can see, this shows the railway which has now been constructed, and this is a large scale map showing the location of the Arnaud Railway Company. You can see the docks here of the Iron Ore Corporation. This is the town of Seven Islands, and we come around to the back of it, in here. We will have our own docks and we will have other facilities there, and we estimate that we will give employment to about 300 people there.

Mr. CHEVRIER: What are you spending on docking facilities and harbour facilities at Pointe Noire?

Mr. PATTILLO: Mr. Williams will answer your questions.

Mr. WALTER WILLIAMS (*In Charge of Proposed Construction, and Director of Pickands, Mather & Co. of Cleveland, Ohio, U.S.A.*): It will be approximately \$20 million for docks and harbours.

Mr. CHEVRIER: Thank you.

Mr. PATTILLO: I hope you gentlemen will not mind if I call upon different persons who are thoroughly familiar with it to answer questions which you way direct to me, when I am not fully aware of the answer to them.

You, gentlemen, may want to know why we have come here to parliament. So let me explain. Back in the early thirties the Newfoundland government created a corporation by statute known as the Newfoundland—Labrador Corporation, which is generally referred to as Nalco.

They gave Nalco the exclusive right to search for minerals in certain areas in Labrador. Nalco entered into an arrangement with a company which probably a lot of you have heard about, known as Canadian Javelin. Canadian Javelin acquired leases to a great deal of the area up north.

We got into the picture by getting a lease from Canadian Javelin of a part of the area which they hold under lease. Our first lease was the Steel Company of Canada and Pickands, Mather & Co.

Subsequently when we went in there and explored, and found very desirable deposits, we created a company known as Wabush Iron Company, which is an Ohio corporation. Then we got further leases from Canadian Javelin of further areas, and the lease which was originally taken by the Steel Company of Canada and Pickands, Mather & Co. was transferred to Wabush Iron.

Wabush Iron is an Ohio company, and its shareholders are the Steel Company of Canada, which has a 25 per cent interest; Youngstown Tube, Inland Steel, Pickands, Mather & Co., and Pittsburgh Iron. Now, those companies have banded together to put money into Wabush Iron for this development which we anticipate will cost us more than \$200 million; and we have already spent \$20 million on what we have done up to now.

Now, Wabush Lake Railway Company Limited was a company incorporated shortly after this Nalco Company, also by statute of the Newfoundland government, and the original scheme was that it was going to build a railway from Wabush lake to the north shore of Labrador.

Mr. O'Brien will tell you that about a year ago last February his clients, which have large deposits up at Schefferville, had become interested in developing deposits at Carol lake. Carol lake is up here slightly to the west and slightly to the north of where we are; and they came to the Senate and

filed a petition with the intention of applying for an act of parliament to build railway from Carol lake to the north shore of Labrador. Then, at the behest of the government of Newfoundland they withdrew that, and it was then that the Carol Lake agreement, as it is called, was entered into and approved by statute of the parliament of Newfoundland—of the legislature of Newfoundland—and Northern Land Company came into being. It is the Carol-Wabush agreement; Mr. O'Brien corrects me.

The VICE-CHAIRMAN: What is entailed in the Carol-Wabush agreement?

Mr. PATTILLO: The Carol-Wabush agreement provides for this: it provides for the creation of the Northern Land Company; it provides that Northern Land Company shall own the right-of-way and the tracks, and that it will do the construction work; but that it will not be a railway; and that it will grant to the Carol Lake Company and Wabush Lake Railway equal running rights; and that the Carol railway will be a private carrier; the Wabush railway will be a common carrier.

Mr. CHEVRIER: May I ask if the railway has been built?

Mr. PATTILLO: The railway has been built.

Mr. CHEVRIER: By whom?

Mr. PATTILLO: By Northern, under the terms of the original scheme.

Mr. CHEVRIER: Has it been built from the Carol lake deposits to mile 224?

Mr. PATTILLO: I will have to ask Mr. O'Brien to answer that. In so far as joint facilities are concerned, what are called the joint facilities, they come from mile 224 over to here, and then each one—Carol lake has to build its own facilities to tie in with the joint—

Mr. SMITH (*Simcoe North*): Mr. O'Brien says they have done that.

Mr. PATTILLO: Yes; and we have to build ours to tie in.

Mr. SMITH (*Simcoe North*): Has that been done?

Mr. PATTILLO: No.

Mr. WILLIAMS: We have built a short spur, approximately a mile and a quarter of track, for temporary use for the shipping of concentrates and bringing in materials for our preliminary work.

We have not constructed the railway over to our plant site, and will not do so, of course, until the decision is made to go ahead.

Mr. PATTILLO: I have tried to explain to you how the Wabush Lake Railway came into being, and all that. Now let me explain about the Iron Ore Corporation. Because of the fact that we had no docking facilities, and the docking facilities which belonged to the Iron Ore Corporation were for their own use, we had to build our own and we had to find land where we could have them. We found the land, and we had to have this other railway in order to reach it. So we got a railway incorporated under the Quebec legislature.

The situation, therefore, is that at the moment, when this project is complete, without this bill which we presently have before parliament, we would be in the position of having a Newfoundland railway there, a federal railway there, a Quebec railway there.

One of the most vital things for us to know, in order to be able to raise this money and in order to go ahead with our plans, is the approximate cost. We appreciate the costs change for transportation, just like they change for everything else.

We need to know as well as possible what our costs are going to be on getting that ore from there down to there for shipment; and as long as we are in the situation that we are presently in, we can go to the Board of Transport Commissioners and find out the schedule of rates, or we can go to the Quebec North Shore and Labrador and find out what they want to ship over

that. At the present time, what they want is \$2.50 a ton, from mile 224 to mile seven. We consider—and we have been advised by experts—that that is too high a price, but we cannot possibly attack it before the Board of Transport Commissioners until such time as we are a shipper, and we will not be a shipper until the whole project is complete. So we would have to spend our money with no certainty as to what our cost is going to be.

So we decided that we would endeavour to bring these two railways under the aegis of parliament so that we would have the right to go to one uniform body—that is, the Board of Transport Commissioners—who would then have jurisdiction over all three railways, and we could go before we became a shipper.

Mr. O'Brien does not agree with that; but that is our view, and we are seeking to get that right. That is what we are here for.

We say that we want to know what our position is as quickly as possible, and we want to be put in the position where we are in the same bed with the Quebec North Shore and Labrador.

Mr. CHEVRIER: May I ask another question there?

Mr. PATILLO: Certainly.

The VICE-CHAIRMAN: Pardon me, Mr. Chevrier: would you kindly address the Chair.

Mr. CHEVRIER: I am sorry, Mr. Chairman: may I ask another question of the witness?

The VICE-CHAIRMAN: Certainly.

Mr. CHEVRIER: You are building a 40-mile railway at the north end, and a 20-mile railway at the south end. You are travelling over a railway that does not belong to you, that is the property of the Quebec North Shore—whatever the name is: I have forgotten.

Mr. PATILLO: Quebec North Shore and Labrador.

Mr. CHEVRIER: Two hundred miles—

Mr. PATILLO: Two hundred and seventeen miles, we are travelling along that railway.

Mr. CHEVRIER: Two hundred and seventeen miles in length. And what you are attempting to do is to bring these two branch lines of yours under the jurisdiction of the Board of Transport Commissioners, although 9/10ths of the travel distance is over the line of another owner, or another competitor?

Mr. PATILLO: That is quite correct, Mr. Chevrier. And the reason for that is simply this. As long as we stay where we are, Newfoundland has not any legislation at all about rights; the board of transport has no jurisdiction over provincial railways. We would have no one central body to whom we could go. We only want whatever rights the law will give us as interpreted by a board, an independent board; but we certainly feel that these people, having built this railway, which is a common carrier, and having been given the power by parliament to build it, have to have it there for whatever use the Board of Transport Commissioners says it has to be put to. And the railway is quite adequate for shipping of the ore of the Iron Ore Corporation and the shipping of our ore, too.

We want to be able to originate trains at Wabush lake—our own trains, our own cars, our own engines, our own crews—and bring them right down through to the dock.

That is the most desirable thing we want. Whether we will ever get there, I do not know; but we want the power to try and get there.

Mr. McPHILLIPS: Mr. Chairman, I would like to ask a couple of questions. I take it that Wabush Iron, the Ohio corporation, holds the leases for the Wabush lake?

Mr. PATTILLO: That is right.

Mr. MCPHILLIPS: And I suppose it is a domesticated company in the province, is it not?

Mr. PATTILLO: That is right. It has to be.

Mr. MCPHILLIPS: You have given quite a full explanation here; but am I right in this: actually this private bill—you have given us the background; but actually all this private bill seeks to do is to declare your facilities to be for the general benefit of Canada and put them under the board of transport commissioners?

Mr. PATTILLO: That is right—to give us the power.

Mr. MCPHILLIPS: It seems to me, as a mere parliamentarian, that that is a very laudable idea.

Mr. PATTILLO: Thank you. May I say just one other thing. When we went before the Senate—and you have the bill before you—we did not have in it section 6, and Mr. O'Brien took the position before the committee of the Senate that they had gone into this Carol lake-Wabush agreement thinking there were going to be two provincial railways; we were going to be in bed with one another; and then he wakes up to find that we have come to parliament. He thought we had done something which was not quite cricket, and he urged that there might be contractual relationships that could be affected, because we would come under the Railway Act of Canada.

We have examined the thing very, very carefully. We have studied all the documents in existence between the Iron Ore Corporation and ourselves. We know of no contractual obligation that is affected by our bill. But we are not the least bit adverse to giving this protection, and accordingly section 6 has been put in there. We do not want in any way to change the picture that exists between us, except to give us the power, which they presently have, of going to the board of transport commissioners.

Mr. O'Brien frankly admitted finally in the Senate committee that there was not any amendment to this bill which really was going to resolve the matter, as far as he was concerned: the only thing that was really going to please him was if we were tossed out altogether.

In other words—and this is my own translation of that—these people have spent, and I commend them for it, a number of years ago about \$500 million or more in this development in the north, and they were the originators; but I do not think that because they are the originators they have any right to consider that they have become the sole proprietors. We want to go in there and develop this—and one of our companies, the Steel Company of Canada, is a vital force in Canada. It needs this source of supply for its own future. I am going to ask Mr. Scully now if he will tell you about that.

Mr. CHEVRIER: Before you leave, Mr. Pattillo: Mr. Chairman, may I ask a question or two in connection with this?

The VICE-CHAIRMAN: Certainly.

Mr. CHEVRIER: You say Iron Ore have spent about \$500 million to build the line, and that it is a common carrier.

Mr. PATTILLO: To build the line and developments up north.

Mr. CHEVRIER: Have you made any attempt to agree upon—

Mr. PATTILLO: We have.

Mr. CHEVRIER: —upon a freight rate?

Mr. PATTILLO: We have. I should have explained that to you, Mr. Chevrier. They have filed, as they are required to do, tariffs with the board of transport. The Iron Ore Corporation is the sole owner of the Quebec North Shore and

Labrador. The Iron Ore Corporation is required to pay to the province of Newfoundland moneys based on the result of their operations. The Iron Ore Corporation, through its subsidiary, charges itself for moving this ore from Schefferville at \$3 a ton.

If you work that out proportionately from mile 224 down to Seven Islands, it would be less than \$1.90 a ton. What is the exact figure on that? I am told it is \$1.84. That is the proportionate mileage.

The figures that we have from our experts show that a fair rate would be less than that. The best figure we have ever been offered by them is \$2.50. You can see that this means a great deal of money, if you are going to move 10 million tons a year.

Mr. CHOWN: So, Mr. Chairman, essentially it boils down to an unresolved dispute over freight rates which made the present sponsors of this bill move to have the whole thing referred to the board of transport commissioners and run the risk now of having a rate set at \$2.65, for all they know; and that is why they are before the committee today.

Mr. PATTILLO: You could not have put it more correctly, Mr. Chown. We would have been quite content with what we had if we had been able to have an agreement which we thought was reasonable.

Mr. SMITH (*Simcoe North*): I have two questions, Mr. Chairman, which I wish to ask in order to make this clear. Wabush lake railroad and Arnaud railroad are both solely owned by the Wabush Iron Company?

Mr. PATTILLO: That is right.

Mr. CHEVRIER: I wonder, Mr. Chairman, if I could ask another question or two. I was interrupted.

The VICE-CHAIRMAN: Yes.

Mr. CHEVRIER: Have you completed all of your agreements with the Carol Lake Railway Company?

Mr. PATTILLO: No, we have not, Mr. Chevrier. We have had what I call, for lack of a better phrase, a letter of intent. Some of the agreements contemplated by that letter of intent have been made; some have not yet been completed. But they will have to be a matter for negotiation in the future. But I cannot see how what we are seeking here in any way affects that.

Mr. CHEVRIER: Except by clause 6. If the agreements are completed, then clause 6 comes into operation.

Mr. PATTILLO: Yes, so far as complete agreements are concerned, certainly clause 6 covers that very clearly. But so far as the other agreements are concerned, whether we had this bill or not, you could not have an agreement unless both parties have agreed on the terms; and the letter of intent, as you know, is nothing more nor less than the setting out of what you contemplate you are going to agree to in order to make an agreement. An agreement is not enforceable unless all the essential terms are expressed.

Mr. CHEVRIER: But the letter of intent would not be recognized by the board of transport commissioners, would it; whereas the agreements under section 6 would?

Mr. PATTILLO: Certainly the agreements under section 6 would. I do not think the letter of intent would be recognized by the board of transport commissioners; but I am not sure of that. They might place some weight on it. But certainly the letter of intent as such would not be recognized by any court of law, or anything like that.

It seems to me that you can do anything by agreement between parties that have an interest. If they will agree, that is a very simple thing; but if

they will not agree, then all we are seeking to do is to be put in the position where some independent body can take over and give us a marriage of necessity, if not of convenience.

Mr. SMITH (*Simcoe North*): Mr. Chairman, does the letter of intent refer to shipping rates?

Mr. PATTILLO: No.

Mr. SMITH (*Simcoe North*): It does not refer to shipping rates?

Mr. PATTILLO: No.

Mr. SMITH (*Simcoe North*): What does it refer to, then, that would come within the purview of the board of transport commissioners?

Mr. PATTILLO: It does deal with this. I am reading from section 7.

Mr. CHEVRIER: Neither does section 6 refer to shipping rates.

Mr. PATTILLO: No. Section 7 says:

The land company—

That is, the Northern Land Company:

—will grant perpetual running rights over the joint section and the joint facilities to Wabush railway—

The VICE-CHAIRMAN: Pardon me: from what are you reading?

Mr. PATTILLO: I am sorry: I am reading from a letter of intent, I call it, dated May 29, 1959, from the Iron Ore Company of Canada to Pickands Mather and Company, and I am reading from page 3, paragraph No. 7, which provides:

The Land Company will grant perpetual running rights over the joint section and the joint facilities to Wabush railway and to Carol Company. The running rights agreements will, among other things, provide that:

- (a) Wabush railway and Carol Company will each have the right to 50 per cent of the capacity of the joint section, and any additional capacity not used by the other.
- (b) Carol Company will have the right and be responsible to carry ores and products of ores from mines owned and operated by or leased to the I.O.C. group, their sublessee or sublessees, to carry property of any member of the I.O.C. Group, and to provide incidental service by carrying freight of the members of the I.O.C. Group and such sublessees, and carrying any of their employees and freight of such employees to and from the mines. Both Carol Company and Wabush Railway will have the right to provide other incidental service for such mines and any enterprises associated therewith including townsites. Wabush Railway shall have the right to and be responsible for all other traffic over the joint section.

That is why I translated "all" as Carol being a private carrier of Wabush. It goes on to provide how expenses are to be met, makes provision for depreciation and how it is to be charged.

Then there is a clause:

In case either group fails to operate its railway over the joint section during any calendar year and fails to pay the 20 per cent minimum, the other group will not insist on the 20 per cent minimum payment but may declare a forfeiture of the running rights agreement with the defaulting group and shall, in addition to the right of first refusal under

paragraph 10, have an option to purchase the defaulting group's investment in land company at a price equal to one-half of land company's investment—

—as determined in the manner set out.

Then there is this clause 10, which provides that:

The running rights agreements shall not be assigned in whole or in part to a third party except that Carol Company may assign all or a portion of its running rights agreement to Labrador mining or to Quebec North Shore and Labrador.

As I said, Mr. Chairman, Mr. O'Brien said that he was concerned about their contractual picture; but really, in my judgment, when I heard him out, what he was simply saying was, "I do not want this bill passed at all." Now, we have satisfied ourselves and the members in the other house, outstanding lawyers all of them—Senator Farris, Senator Brunt, Senator Baird, Senator Hayden and I have forgotten who else was on the committee—they considered this. It was their view this clause 6—and one other slight change in the wording, where they started out by saying—

The VICE-CHAIRMAN: What clause is this?

Mr. PATTILLO: Clause 6. It used to read:

Nothing in this section shall be construed—
and it was changed to:

Nothing in this act—

Those were the changes they proposed.

Mr. Chevrier, unless you have some other questions to ask, could I now ask Mr. Scully to speak?

Mr. CHEVRIER: There was just this final question, if I may, Mr. Chairman: whether the members of the other place—to whom we have referred—considered that clause 6 covered the agreements already made and those to be made by the two companies?

Mr. PATTILLO: They certainly considered and covered the agreements already made. Certainly, I do not think this parliament would want to legislate as to amendments to be made unless they were settling all the terms of the agreement.

The VICE-CHAIRMAN: Is that all right, Mr. Chevrier?

Mr. CHEVRIER: Yes, thank you.

The VICE-CHAIRMAN: Mr. Scully?

Mr. WILLIAM SCULLY (*President of the Steel Company of Canada Limited*): Mr. Chairman and gentlemen, I will just take a moment. First I would like to say that the Steel Company of Canada is celebrating its fiftieth anniversary this year, and it is the biggest company in Canada. Some of the companies which compose it have been operating in this country for over 100 years. Our principal steel plant is in Hamilton; we have four plants in Quebec. We jointly own a fairly substantial mining operation just outside this city, on the other side of the river; it is an iron ore mine. We have operations selling our products from Newfoundland to Victoria. This year we will attain a steel-making capacity of about 3,100,000 tons.

Until about 1957 all our iron ore was imported. We produce it in our mines in the United States, in which we have interests with other steel-making companies. This is a traditional type of operation, in the steel business. Because of the very large capital amounts involved, few of the companies are able to conduct large-scale mining operations on their own, so they band together and operate jointly. In 1957 we developed this mine near Ottawa, and it was our first venture in Canada.

It is our expectation that as the mining properties we own in the United States run out, we will eventually become wholly dependent upon Canadian sources of iron ore. That is why we are in Wabush. We and Pickands Mather were the first of this group into the Wabush area. It was immediately apparent that a project in this remote part of Canada had to be on a very large scale if it was to be economically operated—quite beyond the capacity of our company to absorb and, perhaps, in fact, beyond the capacity of the Canadian steel industry to absorb what could be produced there. We sought and got partners. Mr. Pattillo listed them for you. We expect to retain an interest of at least 25 per cent in this project; and that when this is finished we will be drawing down about in that proportion of its output.

Perhaps I should mention this, that in large-scale steel production it is perhaps essential and certainly common practice for the steel companies to control their source of raw material. It would be difficult, if not impossible, to procure in the open market, on an assured basis, the amount of raw materials that plants like ours require in a year.

I do not know that there is anything else I can add to that.

Mr. CHEVRIER: Mr. Scully, may I ask how much of your imports of iron ore do you expect to get eventually from Wabush lake?

Mr. SCULLY: I would think that ultimately they would displace all our imports.

Mr. CHEVRIER: Will the other ore be moved to American ports, like Inland steel and Youngstown steel?

Mr. SCULLY: Yes.

Mr. CHEVRIER: Where will that go to?

Mr. SCULLY: Inland are in Chicago, Pittsburg are in Pittsburg, and Youngstown are in Youngstown and Chicago.

Mr. CHEVRIER: It is accurate, or not, to say that more than 50 per cent of this will go to U.S. steel plants?

Mr. SCULLY: I would think that is reasonable now. There are other Canadian steel companies who might come into the picture before it is finished.

The CHAIRMAN: Are there any further questions of Mr. Scully? Are there any other witnesses you wish to call?

Mr. PATTILLO: I was just going to ask Mr. deBilly, who has done this work in Quebec, to say a few words in French.

Mr. Jacques DEBILLY (*of Messrs Gagnon, deBilly, Cantin & Dionne of Quebec City*): (In French, neither reported nor interpreted).

Mr. PIGEON: Mr. Chairman, is there an interpreter or reporter present?

The VICE-CHAIRMAN: We do not have a French reporter.

Mr. PIGEON: Do you think it is possible to have a French interpreter?

The VICE-CHAIRMAN: It might take a few minutes to get one.

Mr. SMITH (*Simcoe North*): Let him go on now in French.

The VICE-CHAIRMAN: Mr. deBilly, will you have a transcript of what you are saying, which we could give to the reporter?

Mr. DEBILLY: No.

Mr. PIGEON: He could speak French.

Mr. SMITH (*Simcoe North*): I think so.

Some HON. MEMBERS: Sure, carry on.

—At this point in the proceedings a discussion took place in French in which Mr. deBilly, Mr. Chevrier, Mr. Pigeon, Mr. Brassard (*Lapointe*) and Mr. Bourget took part, and which was neither reported nor interpreted.

The VICE-CHAIRMAN: Order, gentlemen. I do not feel that this is fair to all the other members of the committee. If we are going to have any further discussion, we shall arrange to have a French reporter here this afternoon, and an interpreter. This will help the rest of the committee to know what is going on.

As your chairman I am not always sure that we are sticking to the principle of the bill, or wandering all over Canada. So if it is agreeable to you, gentlemen, we will continue this part of the discussion this afternoon.

Are there any further questions?

Mr. CHEVRIER: I have some questions for Mr. DeBilly in English.

Mr. TUCKER: Might we have a copy of what has been said?

The VICE-CHAIRMAN: It has not been taken down. I am sorry. We did not have a French reporter here this morning.

Mr. CHEVRIER: We will have to rely on Mr. Asselin again.

The VICE-CHAIRMAN: I understand you feel that nothing has gone on which was unfair. Now, if you have any questions which you wish to continue in English, you may proceed.

Mr. CHEVRIER: Nothing has been said about royalties. Are there any companies which have any royalties in connection with this matter?

Mr. PATTILLO: Yes. Perhaps I might explain that. Wabush Iron has agreed to pay royalties to Canadian Javelin, and the royalty is based on a percentage of the sale price of the concentrate at Seven Islands, or a price of 75 cents a ton, whichever is the greater; and the Newfoundland government, of course, will receive an amount per ton; and the amount which the Newfoundland government gets per ton is 22 cents a ton on the concentrate.

The VICE-CHAIRMAN: Does that answer your question?

Mr. SMITH (*Simcoe North*): Your payment comes from Canadian Javelin?

Mr. PATTILLO: No, it comes from us, and Canadian Javelin is also required to make a payment to the Newfoundland government. My recollection is that the amount they pay is 32 cents.

Mr. KEITH BENSON (*Legal Department, Pickands, Mather & Co. of Cleveland, Ohio*): Canadian Javelin receive a royalty from Wabush Iron, and they in turn pay a royalty to Nalco.

Wabush Iron pays directly to the government of Newfoundland a royalty of 22 cents a ton, and there is an escalator clause.

Mr. SMITH (*Simcoe North*): Do you know how much of the 75 cents that is paid to Javelin ultimately gets to the Newfoundland government through Javelin and Nalco and so on?

Mr. BENSON: Seventy-five cents is the floor on the amount of royalty to Javelin, and of that amount three per cent of the Seven Islands price, which is a defined term, it is tied to the price of lake ore—but it is not more than 32 cents a ton.

Therefore, at today's prices Javelin will get 75 cents, plus 32 cents to Nalco, while Nalco, in turn, is obliged under its agreement to pay certain royalties to the government of Newfoundland; and the amount which it pays in respect to Iron Ore is 22 cents a ton. But the payment is put on the operator. So that with respect to Iron Ore, the government of Newfoundland would receive 22 cents a ton.

Mr. SMITH (*Simcoe North*): None of that 75 cents gets to the government of Newfoundland?

Mr. BENSON: That is right; 75 cents plus 22 cents is what we pay.

Mr. PIGEON: In other words, the company takes the cream of the money, while the government of Newfoundland gets the milk.

Mr. PATILLO: We are not sure of that. We may not have any cream or milk.

Mr. CHEVRIER: I would not worry too much about that.

Mr. MCGEE: I wonder if my question may not be redundant, and if it is, I apologize; but are there any plans at the present time for further processing of this ore and concentrates at the site or on board ship?

Mr. PATILLO: No, not at the moment. It would be brought down as concentrates and shipped in as concentrates.

Mr. SMITH (*Simcoe North*): Wabush actually pay something like 97½ cents a ton, of which 22½ cents goes to the government, while 75 cents goes to the entrepreneur, or the middle man?

Mr. PATILLO: They were fortunate to have the leases first; and when we went in there, we had to pay what we considered to be reasonable and fair.

Mr. SMITH (*Simcoe North*): Had Canadian Javelin done development work in that area?

Mr. PATILLO: Well, if they had not done development work in the area, they had certainly done it in the stock market.

Mr. McDONALD (*Hamilton South*): If this bill should go through, you can ship your ore 357 miles. Would this mean that improved Canadian ore would be used in Canada and manufactured by Canadian manufacturers?

Mr. SCULLY: Oh yes.

The VICE-CHAIRMAN: Are there any further questions?

Mr. BOURGET: On the question of royalties, am I right in assuming that the province of Newfoundland would get 22 cents plus a certain amount which would go to the province from Canadian Javelin or some other company?

Mr. McDONALD (*Hamilton South*): Might I ask what royalties have to do with transportation of materials over the railroad?

Mr. CHEVRIER: I think we are entitled to know who owns these companies, and what the financial backgrounds of them are.

Mr. PATILLO: We would want you to know the answers. We have nothing to hide. We are here because we think we have a story to tell, and we are anxious to tell it.

Mr. BOURGET: Am I right in saying that the province of Newfoundland gets more than 22 cents a ton?

Mr. PATILLO: At the moment I think you are wrong. I think that all they would get at the moment is the 22 cents a ton. But the companies which will benefit out of the 75 cents that we are paying will be the Canadian Javelin company and Nalco.

Mr. PIGEON: We could finish with Mr. deBilly if any members have any more questions they want to ask him.

The VICE-CHAIRMAN: Have any members any questions they wish to ask Mr. deBilly?

Mr. PIGEON: Do you know why it was impossible for your company to deal directly with the government of Newfoundland?

Mr. PATILLO: Because under the arrangement between the government and Nalco, Nalco is the operator; and whoever is the operator must pay the money directly to the government of Newfoundland. Nalco will not be operating these areas, but we will. So we are required to pay the money.

Mr. MCGEE: What are the terms of the escalator clause, which was mentioned, and where does it apply to these royalties?

Mr. BENSON: I must give you a little background material so that you will understand it. First of all, Nalco was owned by the government of Newfoundland. It was interested in disposing of its investments in Nalco, and it sold its investments in Nalco for over \$1 million, to two companies, Wabush Iron, and Canadian Javelin.

There is roughly a ten per cent interest owned by private interests, Hallimand Ripley, and the like. But as far as Wabush Iron is concerned, it is part of the overall arrangement between the government and Canadian Javelin. We agreed to make certain payments to Canadian Javelin, and Nalco undertook to make a payment of approximately 22 cents a ton, just as a mechanical matter, to be paid by the operator.

Now, in order to protect against inflation of that 22 cents a ton, there was an escalator clause provided which incorporates that 22 cents and ties it in with the sale price of iron ore. In other words, if the sale price of iron ore goes up, then the 22 cents per ton will increase; but it never goes below 22 cents a ton.

Mr. MCGEE: Is there a ceiling on it?

Mr. BENSON: No.

Mr. MCGEE: What is the date of that escalator clause?

Mr. BENSON: I have the document here, and I think I can find it for you.

The VICE-CHAIRMAN: While Mr. Benson is looking for the answer, we require a motion with respect to printing in this committee of the minutes of these meetings. Will someone move that we print 750 copies in English and 250 copies in French?

Mr. ASSELIN: I so move.

Mr. McDONALD (*Hamilton South*): I second the motion.

Motion agreed to.

Mr. BENSON: According to the escalator clause, the sale price of iron ore on which we pay our royalties has nothing to do with freight rates. It is a term which ties in with the lake Superior price of iron ore, because your Canadian iron ore is in competition with the lake Superior iron ore district; and at the date of making that contract the market value for old-range ore of 51-50 per cent, was \$11.70; and we have agreed that to the extent of the price of iron ore—to the extent that it is \$11.70 per ton—22 cents a ton will be the figure. This 22 cents will be increased by one half of one per cent of any increase in the price of iron ore over \$11.70 per ton.

Mr. MCGEE: One-half of one per cent?

Mr. BENSON: Yes, sir.

Mr. CHEVRIER: We in this committee are entitled to know the financial background. You are saying that you will be bringing this matter before the Board of Transport Commissioners because you have been unable to reach a deal under section 341 of the Railway Act in respect to your competitor iron ore?

Mr. BENSON: That is right.

The VICE-CHAIRMAN: It is practically 11 o'clock, and a motion to adjourn is in order.

Mr. CHEVRIER: Might we inquire as to the business this afternoon?

The VICE-CHAIRMAN: We will have the same gentlemen here, Mr. Pattillo, and Mr. O'Brien, who will be opposing the application, together with Mr. Wil-

liam H. Durrell, president of Carol Lake Company, and they will have an opportunity to present their case this afternoon.

Mr. CHEVRIER: Are we going to have an interpreter here?

The VICE-CHAIRMAN: Yes, if possible.

The committee adjourned until 3 p.m.

AFTERNOON SITTING

TUESDAY, June 28, 1960.

3.15 p.m.

The VICE-CHAIRMAN: Gentlemen, I see a quorum. This afternoon we have some new witnesses, Mr. John L. O'Brien, Mr. Robert S. O'Brien and Mr. William H. Durrell, president of the Carol Lake Company and vice-president of the Quebec North Shore and Labrador Railway. This is Mr. John O'Brien; Mr. Robert O'Brien is next to him; and there is Mr. Durrell.

Do you have a statement?

Mr. JOHN L. O'BRIEN, Q.C. (*Solicitor for Carol Lake Company*): With your permission, Mr. Chairman and honourable members, first, as you might have suspected, I am a lawyer, and I represent the Carol Lake Company and the Quebec North Shore and Labrador Railway Company. With me is Mr. Robert S. O'Brien, of my office, and Mr. William H. Durrell. Mr. Durrell is president of the Carol Lake Company and vice-president of the Quebec North Shore and Labrador Railway Company, whose interest I will try to explain in a minute. Mr. Durrell is an engineer by vocation and a native of my Province of Quebec. He has spent his life in the northern part of Canada, in the development there. He is, at the present time, the president of the Canadian institute of mining and metallurgy. During the last war he was in charge of the development in the Goose Bay area, including the building of the Goose Bay airport.

The Carol Lake Company is one of the companies mentioned in the preamble of the bill, and is also one of the companies mentioned in section 3 of the bill.

As you have heard, the Quebec North Shore and Labrador Railway Company is the railway which operates the main line from Sept Isles, or Seven Islands, as we say in English, north from the St. Lawrence for a distance of 370 miles, to Schefferville, also known to many of us as the Knob lake area of Quebec and Labrador. The Wabush Lake Railway Company and Arnaud Railway Company—and we have some difficulty at times, in the pronunciation, so as to determine whether we are saying “Arnaud” or “iron ore”, so I shall try to be careful and refer to it as the Arnaud. There are two spurs, one 40 miles long and the other 20 miles long, destined to serve the single industry of the Wabush Lake Mining Company.

With your permission, Mr. Chairman and honourable members, I would like to say a few words about some of the facts leading up to the introduction of the present legislation. It is hard for us to remember at times that it is less than ten years since this whole area seen on the map was uncharted and was believed by most people to be a frozen wilderness. There had been exploration there, primarily by the Labrador Mining and Exploration Company Limited, a Canadian company, which later brought in with it the Hollinger North Shore Exploration Company, and which then brought in the Hollinger Gold Mines Limited.

In the early fifties these people came to the conclusion that there was enough ore up in the Knob lake area, 357 miles north of the St. Lawrence to

justify production, if they could do two things: firstly, they had to get markets for their ore; and, secondly, they had to get somebody to finance it. The two things were closely related: if they had markets, then they would probably be able to get the financing. It was obvious that the production they expected there—which would be something over 10 million tons a year—could not be consumed entirely in Canada. So, they went seeking purchasers of this ore; and to do so they approached M. A. Hanna Company of Cleveland who for many years have been in the iron ore business. The M. A. Hanna Company in turn joined in this venture and interested five United States steel companies. Between these five companies and the M. A. Hanna Company they undertook to take 10 million tons of ore a year coming from the Schefferville area.

With that undertaking or assurance that they could sell this ore, they went to what is known as the institutional investor, the insurance companies, in both Canada and the United States, and they raised sufficient money to build this.

I am not going to bore you with the details of what had to be done in the way of building it, but there were no roads, there was no railway, and they had to go into this uncharted country and map out a line. This railway and, in fact, the whole project was practically completed in a little over three years. I may say there was a little encouragement, if not compulsion, from some governmental sources because it was during the Korean war, when there was a shortage of steel and a co-relative shortage of iron ore; so everything was pushed towards getting an early completion. Between October, 1950 and January/February, 1954 they went in there and they built this whole thing, which has been called the greatest civilian air lift in history.

To give you some idea of what this entailed—and I am not going to bore you with too many figures—they carried in 170 million pounds of freight in that period, for a total of 15,263,000 ton miles; and they carried in a total of 138,000 passengers by air. They had to set up base camps and build air fields all the way up there, to get the material and workmen in. Heavy machinery had to be cut in two and welded together because it was too heavy to be carried intact in an aeroplane. They had to build dock facilities; they had to get ready for the mines and building townsites; and they built two hydro electric plants. I think they carried in 70,000 bags of cement by air—I am told it was 190,000 bags of cement had to be carried in. I am glad I have somebody here who knows the facts.

In February, 1954 they were able to drive the last spike on this railway, and it was driven by Mr. Jules Timmins, the president of the company. According to the records it was a great day to do it. The temperature in the morning was 56 degrees below zero, and it modified to a spring-like temperature of 20 degrees below by the time the ceremonies took place.

It is in that context that I would like to move down to what was done later. I might say it was when there were other officers in charge we were not able to enlist the interest of the Steel Company of Canada in the project, at that time. Representations were made to them, but they were not interested in coming into it. There were many people who spoke of the impossibility of getting iron ore out of the frozen tundra; and we have to admit that operations are still limited to 5 to 6 months a year up there.

These two Canadian companies, the five United States steel companies, and M.A. Hanna Company, formed the Iron Ore Company of Canada, which undertook most of this development, but left a substantial part of it in the hands of the two Canadian companies, which are still producing. In addition, these two Canadian companies have a substantial share ownership in the Iron Ore Company of Canada.

It was obvious there had to be a railway built, and application was made to parliament to build this railway, the Quebec North Shore. No one ever conceived that there was going to be any other mining development in that area at the time, and had it been, I believe the usual practice would have been followed, of incorporating a private provincial mining carrier; but the line of the railway goes across the territory of both Quebec and Newfoundland which, at that time, was not a province of Canada; and it had to be done by federal charter.

Up there now we have the town of Seven Islands with from 12,000 to 13,000 people in it, and the town of Schefferville; and at the present time we are building a townsite at Carol lake, to which I shall come later.

The Labrador Mining and Exploration Company Limited at one time was doing all the exploring in that territory. It had unlimited rights ceded to it by the Newfoundland government, and to an extent by the Quebec government; but there was a condition that they would have to drop part of the territory each year if they were not going to develop it, and right away one of the parts dropped was in the Wabush lake area, where the Wabush Iron Company now is.

That was transferred to Nalco which at that time was a crown agency owned by the Newfoundland government, who, in turn, then sold its shares in it largely to the Canadian Javelin company or to associated interests.

Mr. John Doyle was head of both Canadian Javelin, and he got into Nalco. And in turn, Canadian Javelin transferred its leasehold rights to Pickands Mather & Co. of Cleveland, and transferred a substantial part of its interest in Nalco, or in respect to that Nalco is now controlled by Wabush Iron, so the 75 cents moves around to an extent; I mean the royalty that is paid.

Now, at the time that the Knob lake-Schefferville area was developed, they were able to send out iron ore which had roughly from 50 to 53 per cent of iron in it, and which was called "direct shipping ore".

The steel mills were crazy about it, because there was a shortage, and everybody was trying to get it. But as happens in the case of most shortages, when people find there is a great demand, they start looking and developing, and this started all over the world.

One of the most interesting parts of this is that foreign ore, including Canadian and South American was beginning to pour into the United States, and beginning to take markets away from the United States mines, the quality of whose ore was becoming poorer. So these people went to work to see if by technological means they could not improve the quality of their ore.

Consequently they were able to develop what is known as the concentrated or beneficiated process, and they are now back in competition. The ore available from South America has around 64 per cent of iron ore in it, and a lot of it has not the proportion of silica that we have at Knob Lake; but silica is something which steel companies do not like in too great a quantity.

Then development started in Liberia, when they started to ship in quantities of their ore, and it became quite a problem. But as they become advanced they expected to ship 10 to 15 million tons out within a very few years.

To give you some idea or concept of the competition from Liberia, the labour rate there was four cents an hour, while we had \$1.75, just for common labour, while for skilled labour their rate was 14 cents as against our rate of \$2.95.

So far from there being a shortage in the market for iron ore, we were suddenly faced with an extra supply or a fair glut on the market. But we had contracts which were something which could help us.

But you still have to have satisfied customers, and if your customers can get much better ore elsewhere, they will not be satisfied. We had all this ore over at Carol lake in tremendous quantity, but it was low grade ore, and how to develop it was another question. But with these advances in technology,

our low grade ore in the past became feasible, and about two years ago my clients decided that they could go ahead with its development.

Their intent is to take that ore which will probably have 60 odd per cent of iron in it and perhaps mix it with ore coming from the Schefferville area. And may I say that the Schefferville ore—Schefferville is in the province of Quebec—but part or most of it being mined in that area is in Newfoundland; but about 75 per cent of the mining is done in the Quebec area, or I should have said 60 per cent.

While no advanced plans could be made at the moment, there is some thought of mixing the ore from Carol lake which will have a much higher content. Indications are that the movement will be into Newfoundland from that mining development, and that it will enjoy a much greater rate than perhaps has been the case with mining at Schefferville so far.

When it became apparent that they were going to be able to develop this, it also became apparent that we would require railway transportation. So in February, 1959, acting on behalf of my client, I presented a petition to parliament for the incorporation of a railway to run from Carol lake and over to join the Quebec, North Shore and Labrador Railway.

But that petition was only in parliament for a few days when some strong representations were made by the government of Newfoundland that we should not proceed with that railway; the railway contemplated in that petition was one that would cross both the province of Quebec and Newfoundland territory.

Representations made by the government of Newfoundland were to the effect that we should join with the Wabush Iron group, and have the construction of a provincial railway entirely within the province of Newfoundland. That we agreed to do, and we dropped the petition to parliament.

The plan worked out now under the aegis of the government of Newfoundland consisted of four steps. First there was the incorporation of Northern Land. The Northern Land Company was authorized by statute of the legislature of Newfoundland to build a roadway and to lay track, but which otherwise was forbidden to be in the railway business.

The Carol Lake Company was incorporated as a private mining carrier. That was the view of the one we were applying to parliament for, but it allowed the company to service the Carol lake area.

The Wabush Lake Railway Company Limited which had had its charter for many years, had its charter amended, and it is a common carrier over those 40 miles, running into its mine.

It was provided in each of these statutes that the Carol Lake Company and the Wabush Lake Railway Company Limited could enter into an agreement with the Northern Land Company to get running rights in perpetuity, which is of some importance.

Then there was a fourth Carol Lake-Wabush agreement made which was validated by statute. This agreement was to be entered into between the Carol Railway and the Wabush Lake Railway concerning running rights, maintenance, costs, and other matters. Up to that time there was cooperation between the parties.

We abandoned our federal charter and we agreed to become subject only to the laws of Newfoundland.

May I say that we had nothing to do with the Arnaud Railway Company at the other end of the line, nor are there any agreements with it.

It provided for the Carol-Wabush agreement, and there was no assignment of the rights of all parties under the agreement, without the consent of all the parties to the agreement.

Two of those agreements were enactments agreed to only last year. Construction of the Northern Land Company is almost completed; the agreement, though is that it is not owned by the Northern Land Company: it is

owned 50 per cent by Wabush, and 50 per cent by the Iron Ore Company. And the Iron Ore Company owns both the Carol Lake, and the Quebec, North Shore and Labrador Railway.

Northern Land is owned 50 per cent by each of the two under the agreement, and they in turn transferred the building to my client. My company finished the construction effectively, but there is still some work to be done.

The Carol Lake Company is ready to go into operation. The running rights agreements are still in the process of negotiation: they have not as yet been signed; they are presently under discussion between the parties. So far as I know, up to the present time Wabush Lake Railway Company has not invested any money in railway assets. It does not own the track; it does not own the right of way; it has not purchased any railway equipment. And, as I think Mr. Williams said, they are going to look to see how their project goes even before they build their track into Wabush lake. If they go ahead with the project they have, the date of going into operation as 1965, some five years from now.

You will see, Mr. Chairman and hon. members, that my clients feel certain concern, having been persuaded to get out of the federal field and to go into the provincial field, suddenly to find the other parties to the agreement in the provincial field asking to come into the federal field. The reason given is that they want to get a ruling as to rates, and I would like to deal with that forthwith. The reason is that they would like to get a ruling on rates from the board of transport commissioners, and I would like to deal with that matter.

The proponents of this legislation who own the Wabush railway—the 40 miles—do not need anyone to tell them what rates to charge on that; they can arrange those rates themselves. The proponents of this legislation who own the Arnaud Railway Company do not need anyone to tell them what rates to charge on that. They have a 217 or 218 miles haul for the Quebec North Shore and Labrador Railway Company, and the rates on that haul are at this minute subject to the jurisdiction of the board of transport commissioners. If we are going to charge one cent more, any shipper who has traffic to offer can come in and complain tomorrow and have the case taken up by the board of transport commissioners.

What, then, is the purpose of this—and let me say immediately that there was some implication this morning that there were high rates up there, and I want to deal with that. The iron ore rates—and I would like my friends to do so, if they wish to dispute the statement I am going to make—of \$3 from Schefferville to Seven Islands, according to any other rates I have seen, is as low as or lower than any iron ore rate in Canada. There was a suggestion that the rate was kept high because we could reduce the profits on which we had to pay royalties. Let me deal with that for a moment. When it became necessary to put these rates into effect, in the first place, there was no concept that anybody else would be in the area. We did not have to think of hauling stuff for competitors: it was purely a question of what was a proper rate to be charging to the parent company.

They brought in rate experts, and the rate experts told them that the \$3 rate was correct, and they put it in. Just consider some of the implications of that. As a mining company, it was free of federal taxes for three years after the end of one year's development; so it would have been to the great advantage of the Iron Ore Company to get as low a rate as possible on the carriage of iron ore and increase the profits of Iron Ore Company, on which there were no taxes, instead of having the railway company operate at a profit and having effectively a 50 per cent tax on that moving to the federal government.

I said it was as low, as or lower than any comparable rate, and I want to take one rate which perhaps demonstrates it. Pickands Mather Company of Cleveland have long been in association with Steel Company of Canada and, as Mr. Scully said this morning, they have a mine up here north of Ottawa, the Hilton mine, which is 325 miles from Hamilton. It is near Wyman, Quebec. It is 321 miles; I am sorry.

It is carried over the Canadian Pacific Railway, and the rate for the 321 miles is \$3.25 per ton, against a rate of \$3 per ton for 357 miles in the Labrador area.

I wish to make one qualification as to that. By reason of the extension of the subsidy a few months ago, the subsidy applied to that \$3.25 rate reduced it to \$3; but the railway still gets the \$3.25, and the rest is paid by the subsidy.

There is another distinction which is important to bear in mind. You have a higher rate on the Hilton to Hamilton line; but you are on a main line, where you have a return haul and there is always, potentially, traffic moving back that you could use your cars and locomotion for. Everything moving on ours is empty; it comes down 357 miles, and you have to haul everything up again. So we have our own product, and we have no other highly rated products that we are carrying, such as the big national railways have; and the rates, I suggest—and I do not think I shall be subject to contradiction—are not high.

My friends say it is true that we can get a ruling from the board of transport commissioners—

Mr. SMITH (*Simcoe North*): Would you comment while you go along, Mr. O'Brien?

Mr. O'BRIEN: Yes.

Mr. SMITH (*Simcoe North*): While Mr. Pattillo was giving evidence this morning he was suggesting that he was not, as I understood him, criticizing the \$3 rate; but he was criticizing the \$2.50 rate proportionately. Could you comment as you go along, Mr. O'Brien.

Mr. O'BRIEN: Yes. Can I say this, that the \$3 rate was put into effect in 1955—1954, I think. There has not been applied to that rate any of the increases in freight rates authorized by the board of transport commissioners since 1954 or 1955.

I am not a rate expert. I have had—I was going to say, the misfortune; but I have had perhaps the fortune to live with a lot of them all my life, and rates are not cheaper for shorter distances on a pro rata basis, a pro rata mileage basis. If you are going to travel 10 miles, you will not get one tenth of the fare that you pay for 100 miles, and so on. All I can say is that at the time—and this was not a quote, incidentally: it was a letter from Mr. John Doyle—there was no development under way at all, and he probably wished to use it for financial reasons back in 1955. He said, "What would a proper rate be?", and the reply was, "A proper rate would be in the area of \$2.50 a ton in trainload lots".

Mr. PATTILLO: Mr. O'Brien, your people definitely advised us. It was nothing to do with Mr. Doyle. Your people definitely advised us, when we asked you for the rate last year.

Mr. O'BRIEN: Let me just come to that. I was about to do so. It was stated here before the other house that there had been a discussion a year ago between certain officers of the Pickands Mather group and certain officers of Iron Ore Company, and it was stated that from memorandum somebody had stated the \$2.50 rate. I have checked with the people who were supposed to be there, and they say that they have no recollection of having quoted a rate. They do not recall that being brought up. It may have been mentioned; but they are certain there had been no study of what a rate should be as of that

time, and they are certain they would not have quoted a rate. There may have been some discussion in which there was some statement of the \$2.50 rate which was mentioned some years before.

Mr. McDONALD (*Hamilton South*): May I ask one question, Mr. O'Brien.

Mr. O'BRIEN: Please do.

Mr. McDONALD (*Hamilton South*): You stated the rate from Hilton mines to Hamilton was \$3.25. Was that using Canadian Pacific Railway equipment, or was that using Hilton mines' own equipment?

Mr. O'BRIEN: That would be using Canadian Pacific Railway's cars.

Mr. McDONALD (*Hamilton South*): And the rate that you quoted tentatively to the Wabush Company to use your 218 miles of track was just for the running rights on the track; but not for the use of the equipment—they use their own equipment?

Mr. O'BRIEN: Not their own equipment. Let me put it this way. The iron ore cars as such belong to the mine; but the traction equipment, the train crews and everything else would be operated by the railway itself. We have that situation on our main lines in Canada, where primarily the oil cars do not belong to the railways.

Mr. McDONALD (*Hamilton South*): I am trying to make a comparison between the C.P.R. \$3.25 rate and the equivalent of \$2.50 rate running over your 218 miles of track, which would be for the running rights of the track.

Mr. O'BRIEN: No, they are not "running rights." "Running rights" has a special connotation, and for that reason I do not like to agree to it. "Running rights" mean that you give the right to another railway to run over your track. That was not the discussion here. The discussion here was what we would charge to haul their iron ore in their own iron ore cars. I have not looked, recently, at this, at the change in rate you would have in supplying your own iron ore cars or your own oil cars. It is not a significant figure, and I would very gladly get them for you, if you want them.

My friends agree that if they have traffic to offer they can go to the board now, today, and get a rate fixed for the 218 miles' haul. But, as Mr. Pattillo frankly avowed—by some process of reasoning which I cannot understand, he said that if this bill is enacted and the Wabush Lake Railway is declared to be for the general advantage of Canada then he can go today. I do not think that he can. That is what keeps lawyers busy, of course; we disagree. But let me ask this: They say they are not going to ship for five years. In case anyone says we are not cooperating, we are carrying all their pilot plant ore for them during the period the railway is not in operation. We are taking it down and delivering it up in the Great Lakes area.

They say that by being declared for the general advantage of Canada, they can go to the board and get a rate so that they could do their financing. I have spent too many years of my life before the board of transport commissioners not to express my astonishment anyone could say he was going to go in today and get any indication of the rate which was going to be charged to him in 1965. We all know there are periodic changes in rates. The opponents of rate increases used to have it that from 1947 to 1957 they had come to 117 per cent, or something of the kind. I am not saying they were, but I just want to give you this possible happening.

At the present time negotiations are going on between the non-operating employees of the railways and the railways for a renewal of their labour contracts. I do not know what the outcome is going to be. But if the post-war history of such negotiations is true, they have inevitably increased the cost of labour to the railways, and as inevitably as that they have caused an increase in freight rates. Who is going to say what the costs are going to be, what the

rates are going to be five years hence? My friends may say, "We may get a rate which will be applicable today," but what are they going to do to estimate the labour rates and taxes in 1965? Why is this one thing so important in their financing?

I want to point out that when the Iron Ore Company of Canada—the concession companies, as they are called, Labrador Mining and Exploration and the Hollinger North Shore—when they put \$300 million in there, they had not the faintest idea what it was going to cost to haul. They knew what hauling in by air cost. It started at 70 cents a pound, and when they got a big air lift it was reduced to the modest price of 11 cents a pound. They went to the insurance companies—and if you have a valid project you do not have to pin-point all your costs.

Our suggestion is that the attempt to deviate from the concept of having these companies under Newfoundland law cannot be justified by a question of simply getting a freight rate.

Mr. McPHILLIPS: You are weaving a very interesting little web, but you are weaving it on the basis of these people being shippers. They do not want to be shippers, but they want running rights over the railroad, and that is a very different thing.

Mr. O'BRIEN: Not running rights over the Quebec North Shore—there has been no question of that.

Mr. McPHILLIPS: Of course, they do; and that is what they explained.

Mr. McGEE: There are several contradictions that have arisen which make it very difficult for me to follow this. The first is what Mr. McPhillips has just mentioned. The second is the question of access to the board of transport commissioners. You have stated they have access to that board at the present time, and Mr. Pattillo stated this morning he has not.

Mr. O'BRIEN: Do you wish me to deal with it in that order? As to the question of the Wabush Lake Railway Company having running rights over the Quebec North Shore and Labrador Railway, I have never heard that suggestion put until this moment. I state it subject to contradiction, but I have never heard that suggestion made until this moment, that they want running rights over the Labrador and North Shore.

Mr. PATTILLO: I am not going to contradict you about that, Mr. O'Brien; but one of the things I have always had very definitely in my mind is that there is more than one way of getting our ore down there. One of the possible ways is by making application for running rights, as I understand the Railway Act. The second is joint tariffs, where we would be the originator of the goods; and the third is as a shipper. There are the three possible ways I know of.

Mr. McDONALD (*Hamilton South*): As a shipper you can now go to the board of transport commissioners?

Mr. PATTILLO: As a shipper; but as a potential shipper we could not go. They will not deal with us as a shipper until we are ready to ship. But as a railway that would connect not to the Wabush Iron Company, but the Wabush Lake Railway, which is going to have traffic originating in these lines that would be coming down over the other lines, on that we have a right to go, in my opinion.

Mr. O'BRIEN: I do not know if Mr. Pattillo meant to say that he had said this morning that they intended to expropriate running rights.

Mr. PATTILLO: I did not say that.

Mr. O'BRIEN: I have never heard it until this moment, because to take running rights over you have to expropriate under the Railways Act.

Mr. McPHILLIPS: I do not follow you at all. You say in order for two federal railways, one to have running rights over the other, one must expropriate the rights of the other?

Mr. O'BRIEN: If it is not done by agreement, it must be done by expropriation. I would be very glad to quote the section.

Mr. ASSELIN: Which section?

Mr. PATTILLO: It is not expropriation, but by order of the board.

Mr. McPHILLIPS: Exactly.

Mr. PATTILLO: It is not expropriation.

Mr. McPHILLIPS: No, no.

Mr. O'BRIEN: I do not like to get into legal arguments on the question. The running rights is section 156, and perhaps counsel for the committee could interpret this.

The VICE-CHAIRMAN: We have no counsel at the moment.

Mr. O'BRIEN: Section 156 deals with agreements for running rights, and it does not come in agreements for running rights. It comes under the cases where a company wishes to build a line itself, and the board may refuse it and order it to use another railway upon paying compensation. That is as I have always heard it interpreted legally, that is expropriation of the property of the other railway. You do not expropriate it completely, but for the right to use another person's property you have to pay compensation, which is not in the form of railway rates. It is paid in dollars, just as if you had expropriated a piece of land; and that is what the Railway Act provides for.

The VICE-CHAIRMAN: Does that satisfy you, Mr. McPhillips?

Mr. McPHILLIPS: Yes.

Mr. SMITH (*Simcoe North*): The first question I would like to ask on this matter is that this \$3-rate is the tariff filed by the board of transport commissioners?

Mr. O'BRIEN: Yes.

Mr. SMITH (*Simcoe North*): Have they ever made an adjudication of that rate, or an investigation; or does that tariff which is filed remain there until somebody comes along and objects? Have they ever made an adjudication or analysis of it?

Mr. O'BRIEN: That is something only the board of transport commissioners could tell you. There has been nothing done publicly. You have an obligation to file rates with the board. The board can allow the filing and allow it to go into effect. On the other hand, it can suspend or reject them until it investigates. This rate has never been suspended or rejected.

Mr. SMITH (*Simcoe North*): As far as we know it has never been analysed?

Mr. O'BRIEN: I do not know.

Mr. SMITH (*Simcoe North*): As far as we know, it has not?

Mr. O'BRIEN: Except that I assume that tariffs must have some tariff analysis by the tariff experts of the board. I must assume they are functioning correctly.

Mr. SMITH (*Simcoe North*): On the question of the \$3.25 rate of the Iron Ore Company from Hilton Mines, are you suggesting they are likely to get return cargoes in ore cars from Hamilton back to Ottawa?

Mr. O'BRIEN: I said there is always a potential use of that. They could be used for part of the haul, for sand and gravel, and things of that sort. There is always some potential backward haul you have not in other places. I frankly avow I do not know what there is available between Hamilton and Ottawa, coming back, but you have a potential backward haul.

Mr. SMITH (*Simcoe North*): Would it not also be a probability concerning this type of haul—having regard to the fact the C.N.R. or the C.P.R., whoever carries it, has to coordinate its ore trains with a great many other types of freight and passenger trains—would that not add to the expense of haulage; whereas on the Quebec and North Shore you load an ore train and send it away? To a much greater degree you have a tighter control over it, over your traffic?

Mr. O'BRIEN: You have got into railway operations which are beyond my ken. I think if you were assured of train load hauls you would be pretty happy with it.

Mr. FISHER: Your \$3.00 rate is the rate your subsidiary, in effect, charges the parent company?

Mr. O'BRIEN: Yes.

Mr. FISHER: Has the Department of National Revenue ever analysed that, complained, or made any protest about it?

Mr. O'BRIEN: I will ask Mr. Durrell to answer that.

Mr. DURRELL: We checked very carefully, and those rates are the lowest I know of in the North American continent. I have a document I left in Newfoundland, and they checked it and agreed with my figures.

Mr. FISHER: It is a very remunerative rate?

Mr. DURRELL: A reasonable rate decided by the tariff rate experts from the C.P.R. They looked them over and they came up with that. They thought that for a railroad such as ours it is an equitable rate. We have two Canadian concession companies who ship over that line up to 3 million tons a year, and at the beginning they were not too happy, and they checked on the continent and have themselves agreed that is a very fair rate. You can check anywhere on the North American continent and I do not think you will find it is not.

This railroad was built without one cent of subsidy. It is the most expensive railroad built in this last century, and it still has the lowest rates in the field we know of today.

Mr. FISHER: I know it compares favourably with the rate Steep Rock has to the lakehead.

Mr. DURRELL: It is a great deal lower per ton-mile.

Mr. CAMPBELL (*Stormont*): You are suggesting the real motive of this other company is not to subject the rates to the adjudication of the board of transport commissioners, but they have some other clandestine or probably ulterior motive in converting it back into a dominion company? We are all novices in this. Would you care to speculate as to what their real motive might be?

Mr. O'BRIEN: I do not think I have even speculated in my own mind as to what the motives might be. Nor do I suggest in their minds that the primary thing was to come up and get a certain rate. I do not think they can get it; but that is another question to be argued some place else. But what I can do more than speculate on is what this deal will do to us in other respects.

Mr. CAMPBELL (*Stormont*): If you can give us your opinion on that, and also your opinion as to how it would be advantageous to your creditors—

Mr. O'BRIEN: Yes; to start with, we made an agreement under which the two companies were to live in partnership on this 40-mile haul. The agreement was effectively that we were to live in partnership in perpetuity. If my friend is right and they have in mind that they are going to come out and try to take over running rights on our main line—to start with, we are not even in that agreement. If they are going to try to exercise rights, they would never have them under the agreements they made with us. Secondly, the running rights agreements are stipulated to be in perpetuity. Section 6 of the

bill says the agreements which have been signed by the two parties are maintained. But running rights agreements have not been signed. These agreements, to be in perpetuity, are the rights of railways that are going to get the running rights; but there are also obligations. Under the Railway Act a running rights agreement cannot be approved by the board of transport commissioners for more than 21 years—there is a second point. Third, under section 5 of the bill they are empowered to sell or to lease their assets. Under section 10 of the Wabush-Carol (Agreement) Act, no assignment is allowed without the consent of all parties, including us. My friend said in the other place, "We are only getting the power to do that, but that does not mean we are going to use it. We are asking for your consent." We are saying the powers they are asking for are powers which are not contemplated by the letter or spirit of the agreement they entered into, and which we entered into, I say, unwillingly. We would have preferred to continue as we had, with our application for a federal railway.

Mr. SMITH (*Simcoe North*): My question is dealing with this statement concerning the fact that the \$3.00 rate from Schefferville had been carefully analysed by rate experts. Had the \$2.50 tentative offer been subject to the same analysis, before it was made to the Wabush people?

Mr. O'BRIEN: As I said, the one in 1955 I do not think was made.

Mr. SMITH (*Simcoe North*): I am talking about the later one.

Mr. O'BRIEN: Mr. Durrell wrote the letter and he can answer that.

Mr. DURRELL: I had a visit from John Doyle in 1955, and he asked for an estimating rate concerning the Canadian Javelin Ore. Not being a rate expert I conferred with our operating people and found that 82 per cent of the capital cost was incurred south of mile 224 and that 85 per cent of the operating cost was incurred south of mile 224. From mile 224 to Schefferville the terrain is flat and to haul ore is simple. From there, south, there is a thirty-mile uphill haul, and then you get a long down grade haul, which creates wear and tear on the brakes, I presume. I figured a good way to arrive at the freight rate was to take 82 per cent of \$3.00. That is why I came up with that \$2.50 rate. I wrote and signed the letter in 1955. I checked with some members of the board of transport commissioners and told them what I had done, just for advice. They said, "That really is not the way we set rates, but it seems to make good sense." I was responsible for that letter, and it seemed to me to make good sense to do it that way. I took 82 per cent of \$3.00, and came up with \$2.50. It had not been analysed by anyone else, because nobody was ready to haul ore yet; and that is the explanation of the \$2.50.

Mr. O'BRIEN: I think that by the interjection of some other questions, I failed to answer a question from one of the honourable members as to the apparent disagreement between my friend, Mr. Pattillo, and me as to our ability to get before the board. I think Mr. Pattillo is in agreement with me that a shipper cannot go before the board until he has traffic to offer.

Mr. PATTILLO: If I could have, I would have been there long ago.

Mr. O'BRIEN: He apparently disagrees with me on one point, and that is the concept of whether a railway which has no traffic to offer, can get before the board any faster than a shipper who has no traffic to offer.

My opinion is that it cannot. Mr. Pattillo, however, thinks that it can. The second point on which we disagree is that even if the railway could get before the board, it could not get before the board and have any rates fixed which would be applicable five years in the future. I hope I express the degree of difference of opinion between us.

Mr. FISHER: Could you relate for us the deleterious effect of this legislation, if it should come into effect?

Mr. O'BRIEN: Yes, sir. May I say that after a very substantial analysis there is some difference of opinion as to how some of these sections of the act may apply. I shall come to them in a moment, with your permission.

But to start with, we had some basic agreements, and it was contemplated that they were to be implemented by subsequent agreements. Those subsequent agreements are still in the process of negotiation. But in our view, under the Carol-Wabush agreement, it would have been binding under Newfoundland law. The present statute as amended says that the agreements signed shall not be changed. But it leaves completely open the question of the agreements not yet negotiated.

Let us look at or contemplate for a moment the difference in the position in which we are in negotiating, to start with.

As a provincial company under provincial jurisdiction, under basically provincial law, we are in an entirely different position than we are in negotiating with the federal government. It is taken out of provincial jurisdiction.

Mr. MCPHILLIPS: You are not suggesting that there is any provincial law which would state that an uncompleted agreement is enforceable?

Mr. O'BRIEN: No sir, but I would say that as long as we were continuing under the aegis of that agreement we were under the Newfoundland government, and that we were at that time compelled to come in and abandon our federal charter. I think there would be a certain amount of persuasiveness on both sides in getting an agreement which would be to the advantage of both sides.

Mr. SMITH (*Simcoe North*): How many fields of negotiation are there where agreements have not been reached that would be affected by the Board of Transport Commissioners?

Mr. O'BRIEN: There is the running rights agreement; under the Railway Act you cannot make a running rights agreement for more than 21 years.

Mr. SMITH (*Simcoe North*): And there is no running rights agreement.

Mr. O'BRIEN: No. There is a letter of intent, and I may have some disagreement with my friend as to whether the letter of intent is enforceable under the act.

Mr. SMITH (*Simcoe North*): But you have no running rights?

Mr. O'BRIEN: I do not know.

Mr. DURRELL: I think most of the agreements have been consummated.

Mr. SMITH (*Simcoe North*): Or are they outside the Board of Transport Commissioners?

Mr. O'BRIEN: Yes. Running rights agreement imply this; there is to be an agreement between the Carol Lake Company and the Northern Land Company, and there is to be an agreement between the Wabush Lake Railway Company and the Northern Land Company, and there is to be an agreement between the Carol Lake and Wabush Lake railway Company as to the maintenance of the railway and the sharing of expenses.

There are three agreements of which I know which are now in the process of negotiation, but have not been signed. But the area of negotiation and preparation of agreements is not mine, so I would not like to state with too much authority what may be outstanding.

Mr. FISHER: What is the volume situation? Is there any danger of your capacity in volume being put into jeopardy by an agreement?

Mr. O'BRIEN: I do not see any more danger of our capacity being put into jeopardy than there is under the agreement we have. We obviously were going to carry their traffic. I would think that, by reason of this legislation, the volume from Schefferville down to mile 224 is going to drop; that will be an economic effect which would come without this legislation.

The volume from Carol lake where there is a township now being built and a concentrating plant being built, and where they will be producing by 1962 a volume from that, added to the projected volume of the Wabush Iron Company, and added to the volume from Schefferville is going to over-tax the capacity of the Quebec, North Shore and Labrador Railway from mile 224, down; but that only means new passing tracks; it will mean very substantial additions to the capital investment, but it does not mean a new railway.

Mr. FISHER: You mentioned several times in passing the question of competition. How direct is the competition between the two?

Mr. O'BRIEN: You mean between the two iron companies?

Mr. FISHER: Yes.

Mr. O'BRIEN: I suppose it is as direct as competition between, let us say, two steel companies. But I do not know what their position is. We are assured that there will be 10 million tons a year for 25 years, or in the plans for 25 years; and I think the contracts expire in 1978. I think they have 18 years to go; that is, the Iron Ore Company of Canada; the Labrador Mining and Exploration Company Limited, and the Hollinger North Shore Exploration Company Limited are in the open market.

But perhaps I might say that all this steel does not go to the United States. Last year when the Steel Company of Canada found their supplies being cut off because of the United States steel strike, I believe that the strike appeared to foil over when the Iron Ore Company of Canada supplied them with the ore they needed; and I think there were four or five hundred thousand tons of ore supplied to Dosco and Sidney. They will sell to anybody in Canada who will buy it.

Mr. FISHER: Do you interpret this bill as an attempt by the group who are behind it to improve their competitive position vis-a-vis the Iron Ore Company of Canada?

Mr. O'BRIEN: I think they would say so. I do not imply any motive other than they suggest, or in that they frankly avow that they are trying to improve their competition position. They say they are in an unfair position. We do not think they are in such a position. There is no question at all that in every other aspect of the matter there has been complete cooperation.

Our clients are building the Northern Land Railway Company, and we are supplying all the dispatching services for the Wabush Lake line, and we are carrying all the iron from their pilot plant.

There has been complete cooperation in every other respect. I do not have to look to motives, and I am not suggesting as to what motives there may be. But I am not suggesting that the motive expressed is not the only one. All I do suggest is that it is an implication for my client which, over the long run, places us in a different position than we would agree to undertake when we joined with them in this 40 mile project, and that is as far as I can go. I am not implying any other motive.

Mr. SMITH (*Simcoe North*): How much of the iron ore now produced at Schefferville, that is, originating from any one of the variety of companies there—what percentage of that iron ore is processed in Canada?

Mr. DURRELL: Last year we shipped over one million tons to Hamilton, and about 400,000 tons to Dosco.

Mr. SMITH (*Simcoe North*): The mills at Hamilton would not be your normal shipping points?

Mr. DURRELL: We have always sold some ore to them in other years. But they have other sources of supply in the United States. However, we are hungry for customers to sell ore to.

Mr. SMITH (*Simcoe North*): What percentage of your production would that 1,400,000 tons represent?

Mr. DURRELL: Last year we shipped 13 million tons, and that would be about ten per cent of our production in Canada, approximately.

Mr. SMITH (*Simcoe North*): Many of the companies in the group which operate in the Schefferville area are steel producers?

Mr. DURRELL: Yes.

Mr. SMITH (*Simcoe North*): Do any of these companies have it under contemplation now to build any steel mills or steel production facilities in Canada?

Mr. DURRELL: Not directly, but we are looking forward to an expansion of their existing steel plants. We believe that is a natural area, in Dosco and Stelco.

Mr. SMITH (*Simcoe North*): Are any of these companies owned or partly owned by your group of companies?

Mr. DURRELL: You mean Dosco?

Mr. SMITH (*Simcoe North*): Yes.

Mr. DURRELL: No.

Mr. SMITH (*Simcoe North*): You are still just ore producers and salesmen?

Mr. DURRELL: That is right.

Mr. CAMPBELL (*Stormont*): How would the result of the proposed legislation substantially improve the competition position of the other group? Would it merely be through the fact that rates are subject to revision in 20 years?

Mr. O'BRIEN: The advantage to them would be, as they have expressed it, the getting or determination of a rate immediately to assist them in their financing. This is not a rate which is reviewed in 20 years. I think I should make that clear.

The freight rates with which we are dealing, cannot be for any long time, because it would be against the law. You can, by contract, make an agreed charge which by law is subject to revision at the end of every year. Other rates are only made for today, and in the light of present day situations and conditions, they are reasonable rates. But if something should happen tomorrow to make those rates unreasonable, then they are not valid.

But a running rights agreement is an agreement to allow one railway to run over the tracks of another, and this, under the Railway Act, must be for a period of not more than 21 years; whereas under the contemplated agreement they were to be in perpetuity.

Mr. McDONALD (*Hamilton South*): You say you are not too worried about the rates, because it cannot apply. What is your main reason for opposing this bill? What is it right now?

Mr. O'BRIEN: The basic reason is that we went into a partnership agreement somewhat unwillingly, which contemplated that we were to remain indefinitely under the aegis of the Newfoundland law. But the moving out of one of the parties into federal jurisdiction, in our submission, places us in a position which is unfair to that in which we were, when negotiating as to the terms of the contracts, and many other things; and if they are contemplating coming along and taking running rights on our road, certainly we would never have gone into a partnership with them on that basis. They put themselves in a position of a master rather than that of a partner, if they get that.

Mr. SMITH (*Simcoe North*): You suggested that Newfoundland held the shotgun, so to speak, in this marriage? Yet the government of Newfoundland has made no objection to this private bill.

Mr. O'BRIEN: No. I think the government of Newfoundland has taken the position here that this is a squabble between two corporations operating there, and they are going to stay out of it.

Mr. CAMPBELL (*Stormont*): Why would you be in any less advantageous position being under federal law than under provincial law?

Mr. O'BRIEN: We will continue to operate under Newfoundland law in the Carol Lake Railway Company, and we will continue to operate as a private mining carrier. And if the Wabush Lake Railway Company has it in mind to take over the rights of the Quebec North Shore and Labrador Railway, they can take over the rights of Carol Lake; and if they have that right of expropriation, which, I still respectfully submit, is a compulsory taking over of running rights and which is a right of expropriation.

Mr. FISHER: If they do not get the same kind of arrangement, are they not in a difficult position with their Arnaud part of the line?

Mr. O'BRIEN: Arnaud belongs to them; Arnaud has a charter which, under the circumstances, would never have been granted to them by the federal authorities. They have the complete right to impose unjust discrimination as between the parent company and any outsiders. But under the federal Railway Act, at no time if they came before parliament would they have been given such powers.

But they went to Quebec and they got that power inserted in their company, which gives them the right to charge one rate to Wabush, and another rate to somebody else.

Mr. SMITH (*Simcoe North*): Would they not come within the federal transport jurisdiction if they got that road?

Mr. O'BRIEN: What is that?

Mr. SMITH (*Simcoe North*): Would they not come within federal jurisdiction if they made themselves a common carrier, before the Board of Transport Commissioners?

Mr. O'BRIEN: If you will look at clause 3 of bill S-24, you will find that it reads as follows:

3. (1) Nothing in this act shall be construed so as to affect or render inoperative any of the provisions of the acts of the legislature of the province of Newfoundland, or of the act of the legislature of the province of Quebec referred to in the preamble; and the companies shall respectively have and continue to have, exercise and enjoy all the rights, powers and privileges conferred, subject to all the limitations and restrictions imposed upon them, by the said acts and by the statutory agreement referred to in the Wabush-Carol (Agreement) Act, 1959, and by any other acts of the legislature, of the province of Newfoundland or the legislature of the province of Quebec heretofore enacted.

And then clause 4 says:

4. Notwithstanding section 3, each of the companies and any corporate successor or successors thereof, in respect of their respective tolls and tariffs, and of the operation, construction, improvement, maintenance and control of all railways and railway undertakings which either of them may own or operate in Canada, shall hereafter have all the powers, rights and immunities and be subject to all the obligations provided for in the Railway Act in respect of railways and railway undertakings subject to the legislative authority of the parliament of Canada.

No, I do not know.

Mr. SMITH (*Simcoe North*): Does clause 3 not really protect, in a sense, your position under the Newfoundland Act?

Mr. O'BRIEN: To the extent that things are set out in the act, but not to the extent of the necessary agreement pursuant to that act which has not been negotiated. I do not know if there are any experts in legal draftsman-ship here.

Mr. SMITH (*Simcoe North*): We are all country lawyers.

Mr. O'BRIEN: But I think that clause 3 of this bill would be construed so as to affect or render inoperative any other provisions of the acts of the legislature of the province of Newfoundland or of the act of the legislature of the province of Quebec, but whether as a law it will allow this unjust discrimination, that does not affect us in our part of the thing. And I am told that clause 4 says that notwithstanding section 3, the Railway Act shall apply; and as to whether or not it means it shall hereafter apply, I do not know. But before clause 6 was put in, some other people and I exhausted ourselves trying to get at the implication of clauses 3 and 4 together, and we failed to come up with anything which looked like a unanimous interpretation.

Mr. PIGEON (*Interpretation*): If you do not allow a competing company to use your line, or if you allow it to use your line by including rights in respect of that company, you make yourself the master of development of the north company, or of that part of the province of Quebec?

Mr. O'BRIEN: No, sir. We do not have that right at any time; and the North Shore Railway Company, in the part that we are going over it, is a common carrier, which means that it will carry any traffic which is offered to it at rates fixed by the board of transport commissioners. We have no choice whatsoever. The Railway Act says that we must carry the traffic which is offered to us.

Mr. SMITH (*Simcoe North*): Is it not a matter of geography? It is obvious that traffic to be presented to the Quebec, North Shore and Labrador Railway will, in all probability, be presented to it as the end of a spur line or an adjoining line. Is that not a fact?

Mr. O'BRIEN: Yes, that is true. That is true of a great proportion of the traffic which comes from industries in various parts of Canada, many of whom have their own industrial spurs.

Mr. SMITH (*Simcoe North*): These spurs could be rather a gigantic size.

Mr. O'BRIEN: May I say that this situation here is not a novel one in the history of Canadian railways. There was the Normetal railway case in the forties—there, Normetal built their own spur. Instead of 40 and 20 here, it was a 12-mile one. I am speaking from recollection.

Mr. SMITH (*Simcoe North*): I wish to explore that a little further. Assuming that another development started, another mining company came somewhere and they built a railway under a federal charter of 40 or 50 miles, would they not be in exactly the same position as Wabush Railway are asking to be in as regards the Quebec North Shore?

Mr. O'BRIEN: As regards Quebec North Shore; but not as regards Carol Lake. But Carol Lake is the one that is party to the agreement.

Mr. SMITH (*Simcoe North*): I am thinking of it in a rather broader sense, rather than a squabble between two great mining companies. I am thinking of it in the development sense. Would that not be a fact?

Mr. O'BRIEN: I may be wrong; but in the whole development of the country, the question of what rates should be charged, including development rates, is one which is of everyday occurrence before the board of transport

commissioners; and you do not have to own your own railway, or you do not have to declare it subject to federal jurisdiction, to have that determined. There are development rates all over the country; and they are put in under the aegis of the board, who investigate and make a ruling.

Mr. MCGEE: I wonder if I could ask a question by way of illustrating it on the map.

What would be the position if a person discovered, or had access to certain development rights, say here, which would be within Newfoundland territory, and decided to build a dock, say, off the spur of the proposed extension down here?

Supposing I was that person, and I wished to develop this ore body and develop my shipping facilities here and enter the business of exporting iron ore: would I, under the present situation, have to negotiate with your company?

Mr. O'BRIEN: Not here. We are not allowed to carry any other person's traffic in here, by Newfoundland law. We are forbidden to. I am talking of Carol Lake: they are the only ones in that area.

Mr. ASSELIN: Where do you start to do this, to have permission to have transportation?

Mr. O'BRIEN: Quebec North Shore is over here. That is a common carrier. In the area you have been pointing to, Wabush Lake Railway Company can carry it; but Carol Lake Company is forbidden by law to carry any other traffic.

An Hon. MEMBER: Is that not discriminatory?

Mr. O'BRIEN: No; it is quite common in the case of private carriers in a province to put one in who is only going to supply his own industry.

Mr. MCGEE: Unless I am mistaken, part of the argument is the fact that you people built this line and others took advantage of that having been built to further their extension. They feel it is in the public interest that they be allowed to get an independent view—as has been suggested by Mr. Pattillo this morning—or an independent decision on the rate, which they hope would be more favourable than a negotiated rate. And yet if somebody comes along to apply the same procedure to them that they have applied to this main line, you say this cannot take place?

Mr. O'BRIEN: No. You asked me, could we carry it; and I said that we have no power; but Wabush Lake could.

Mr. MCGEE: Would the negotiations, then, be with Wabush Lake, or would they be with the board of transport commissioners?

Mr. PATTILLO: In the first place, they would be with Wabush Lake, and if we did not give a decent rate, they would apply to the board of transport commissioners for a rate over our railway.

Mr. MCGEE: And I would have the right to appear before the board and challenge that rate?

Mr. PATTILLO: That is right.

Mr. O'BRIEN: Oh, yes.

Mr. MCGEE: But you do not?

Mr. O'BRIEN: Oh, yes, they have, on this one. On the Quebec North Shore haul they have the power to appear today.

Mr. PATTILLO: No. I thought we both agreed that we did not.

Mr. O'BRIEN: I thought that the hon. member here was talking of somebody having iron ore to ship, and if he has iron ore to ship, and they have iron ore to ship, they could both go today and challenge.

Mr. FISHER: I have got to get this clear in my mind. Is it your contention that, as a result of the imagination and the resources that your clients put

into this some years ago, the whole country has been opened up to other opportunities and that this move involved in this bill is, in effect, going to penalize you over your—

Mr. O'BRIEN: No.

Mr. McDONALD (*Hamilton South*): Then what is it? Why are you today opposing the bill?

Mr. O'BRIEN: We are opposing the bill for one reason only. We are here opposing the bill because we were asked to join in a venture subject to provincial law, with all of the implications of provincial charters; the agreements subject to provincial law; the agreements to be negotiated subject to provincial law; and we suggest that this permits of a departure from the spirit of the agreements that were entered into.

Mr. McDONALD (*Hamilton South*): If no discussion had taken place between your company and this company before 1959, then you would not be here, if they were going after a federal charter?

Mr. O'BRIEN: If this company had originally—as we did—applied for a federal charter, it would have been none of our business.

Mr. McDONALD (*Hamilton South*): On the other hand, had this company which is now applying, applied before, it would have been none of your business either.

Mr. O'BRIEN: That is right.

Mr. McDONALD (*Hamilton South*): So this, in essence, is a squabble between two companies with regard to provincial contracts?

Mr. O'BRIEN: Substantially, yes.

Mr. FISHER: Can it be settled in the courts?

Mr. O'BRIEN: I am suggesting that by the terms of the statute there are possibly changes in there. They are taking some of the rights and obligations that were permissible under one law and not permissible under another.

Mr. SMITH (*Simcoe North*): Newfoundland is a common law province, is it not?

Mr. O'BRIEN: I understand it is. I am not an expert on Newfoundland law.

Mr. SMITH (*Simcoe North*): And the other eight provinces, with the exception of Quebec, are common law. Surely, the law of contracts is no different in Newfoundland than it is anywhere else in Canada?

Mr. O'BRIEN: The law of running rights contracts.

Mr. SMITH (*Simcoe North*): So that the only thing that may affect you is the Railway Act and the board of transport commissioners: that is the only effect there may be on these contracts that are in being or are contemplated?

Mr. O'BRIEN: Yes.

Mr. SMITH (*Simcoe North*): It is just within the jurisdiction; so that your objection, in effect, is that you do not want to give the Wabush Lake Railway any potentially, or possibly higher rates before the board of transport commissioners than they have now; is that not the essence of your argument?

Mr. O'BRIEN: That is it, in part; but it is not all a question of what the board of transport commissioners can do. The board of transport commissioners is limited in its powers by what is in the Railway Act; and under the Railway Act they could not approve certain agreements.

Mr. McPHILLIPS: I find your argument somewhat confusing; I cannot understand it exactly. You are before a group of federal parliamentarians. We are accustomed to dealing with railroads whose works have been declared to be for the general benefit of Canada, which come under the board of transport commissioners. You are coming before us and advocating that this

bill be not passed; and, in effect, it is a very small item that is actually asked for. This company is asking to come under the board of transport commissioners and have this work declared for the general benefit of Canada. As I say, we are accustomed to just that situation before us.

What is the trouble: are you distrustful of what the board of transport commissioners might do?

Mr. O'BRIEN: No; I am suggesting to an extent my friends are. But to start with, the declaration that a provincial work is for the general advantage of Canada is something that has been a very, very rare occurrence in modern administrative history in Canada.

My friends went back to look, and I think the first case they got was some 20 years back. It is a power that has been exercised very rarely. In the early days of Confederation, it was done quite steadily, until the judicial committee of the privy council brought out some rulings, and it has been done very, very sparingly since then; and I do not think, in any case, comparable to the present case.

Mr. SMITH (*Simcoe North*): But we have the feeling that, in regard to the situation of trade and employment, anything that even in a possibly remote fashion, in five years, will produce a substantial, additional source of employment for Newfoundlanders is in the general good—or people in Quebec: both ends will be served.

Our feeling is that that for the general good of Canada, regardless of what legal precedents there may have been in the last 75 years.

Mr. O'BRIEN: Sir, I may say that there is a distinction, to my mind, between the iron project and the iron product. If the demand for iron continues, the iron project is going to go ahead, whatever happens to this bill. You come down basically to a question of whether the determination of a rate, if possible a few years in advance, is for the general advantage of Canada.

Mr. FISHER: Let me point to your protection there. Surely you feel that the \$3 rate that you have is a fair one?

Mr. O'BRIEN: Yes.

Mr. FISHER: It was argued by Mr. Durrell that the \$2.50 rate which was tentatively given makes common sense. Then why should you have any objection to these rates being arbitrated by another board?

Mr. O'BRIEN: I am suggesting that is not the question in issue. They have no worry about that. As soon as they have anything to ship, they can get a determination. That is not what we are fighting.

Mr. SMITH (*Simcoe North*): You just do not want to get them in a position to appear; is that it?

Mr. O'BRIEN: No.

Mr. CAMPBELL (*Stormont*): You say there are certain implications in regard to things being under provincial law. I think we are sparring around in a circle here, in the dark. What are these specific implications to which you are referring—and by implications you obviously mean advantages to your company that would be surrendered if this legislation were to go through. What are these comparative advantages?

Mr. O'BRIEN: Let me take the first one. We have, under the original agreement, to negotiate a running rights agreement in perpetuity. That is an advantage to the Wabush Lake Railway Company—and it is also an obligation. There is this big investment going in. My friend said in the other place that there is a clause in that agreement that, if they fail to pay the rent, then we, at our option, can terminate the agreement. But it is not something which the parties had in contemplation as happening. What we did sign and undertook to do was this agreement in perpetuity.

The agreements now being negotiated—if this bill is enacted, the Wabush Railway Company agreement which goes before the board of transport commissioners will be turned down flat on the question of perpetuity. The law does not allow it.

Mr. McDONALD (*Hamilton South*): I am a layman in this committee. You have a rate of \$3; and a rate is proposed of \$2.50. This seems to be the contention of the other people: they do not think your rate is fair, and they want the opportunity to go before the board right now, so they have come to the federal parliament to enact this company under federal rights.

We have nothing to do with the provincial rights of Quebec or Newfoundland; so if you have a squabble between two companies with regard to provincial rights, you either have to go to the provincial government, or the courts. As far as we are concerned here, our only interest, I believe, is that we are being asked, as a federal legislative body, to incorporate a company.

Mr. O'BRIEN: With respect, Mr. McDonald, I do not think that is the consequence of the bill. Once they are declared to be a work for the general advantage of Canada, they are taken out of provincial jurisdiction and moved into federal.

Mr. PIGEON (*Interpretation*): If you attempt to fix your rates yourself for your competitors without reference to the board of transport commissioners, you are thereby holding the whip hand; you can do whatever you please.

Mr. O'BRIEN: We have no right to fix the rates ourselves without the board of transport commissioners. We cannot fix any rates. We can submit rates to the board; but we cannot fix them.

Mr. McDONALD (*Hamilton South*): May I ask this question, then: has this company that is applying for this federal charter the right to go to the board right now and dispute your rates?

Mr. O'BRIEN: I do not think they have, whether the bill passes or not.

Mr. SMITH (*Simcoe North*): Then we have been wasting our time. One of the points you have emphasized to us is the fact that the board of transport commissioners can only grant running rights for 21 years at a time.

Mr. O'BRIEN: They will only approve of an agreement.

Mr. SMITH (*Simcoe North*): They will only approve of an agreement; but surely they must have approved renewals of agreements? Running rights would not be shot off at the end of 21 years?

Mr. O'BRIEN: No; but it has to come up on a new agreement. There has to be a new agreement.

Mr. SMITH (*Simcoe North*): Is this an insurmountable obstacle?

Mr. O'BRIEN: Let me put it this way to you. We are in very great disagreement on this. We do not know who will be in control of our partners in this venture 21 years from now, and we prefer to have the stipulation made under the provincial legislation.

Mr. PATILLO: Do you know who will be in control of yourselves?

Mr. O'BRIEN: No. It has not changed, though, as fast as some of the others.

Mr. SMITH (*Simcoe North*): The implication is that this will assist people in financing, and you were able to finance without prior agreements. But is it not also a fact that at the time your people—they were first in the field, and there was the pressure of the Korean war; there was also the pressure of the fact that iron ore was not as plentiful in the world as it is now, which assisted their financing; whereas now the sale of iron ore is more a matter of competitive prices; is that not right?

Mr. O'BRIEN: Yes; I think the same thing is true of any industry that is going to start investing, whether for production or not, five years hence.

Mr. VALADE: Why did you not incorporate your original company under the federal Railways Act? What was the purpose of going to the provincial legislation?

Mr. O'BRIEN: I do not know if you were here, sir; but we did apply for a federal charter, and we were persuaded by the government of Newfoundland to abandon it and join with our friends in a joint venture under provincial law.

Mr. VALADE: Was it not a point that under the Newfoundland legislation you would be protected against such a demand by your competitor?

Mr. O'BRIEN: No.

Mr. VALADE: But you could foresee the difficulty?

Mr. O'BRIEN: This difficulty was not under consideration at the time. In fact, we would have preferred to have had the federal incorporation.

Mr. SMITH (*Simcoe North*): There would have been two railroads then?

Mr. O'BRIEN: Yes—if they continued with theirs.

Mr. ASSELIN (*Interpretation*): The whole matter is a matter of rates, is it not?

Mr. O'BRIEN: In the opinion of my friends, of the proponents—not of ourselves. We think there are other essential rights of ours that are being affected.

Mr. McDONALD (*Hamilton South*): A second question, Mr. O'Brien: How can you conceive of a company like Wabush, dealing in millions of dollars without having some kind of formal agreement with respect to rates that they are to be called upon to pay?

Mr. O'BRIEN: Let me tell you the case of the Steel Company of Canada who were building a plant. No company can have a firm agreement as to the rates they are going to pay five years hence. It is against the law.

The VICE-CHAIRMAN: Any further questions, gentlemen?

Mr. O'BRIEN: I would just like to mention some of the provisions of the act. Some of them I am mentioning, not that they are of special significance in so far as we are concerned. I just wish to say—and I am not going to discuss it further—that there is some strong constitutional opinion to the effect that you cannot declare a work and undertaking to be to the general advantage of Canada. I am just saying that, and that does not affect us in the bill at all. That is section 3, and you will, no doubt, get better legal advice on it than I had.

I have already mentioned the apparent contradiction between sections 3 and 4, and I am not going to labour it.

As to section 3(2), I do not wish to say I have read every statute incorporating a railway, but any I have ever seen has required that the intended point of origin and the intended point of destination of the railroad be stated. This is the first one I have seen which authorizes construction without saying where it is to be, without giving the point of origin and the point of destination.

I wish to point out one thing only, in addition, as regards section 3(2). The proponents of this legislation stated in the Senate that they did not intend to build those railways unless they had got a proper rate. So that all section 3(2) is there for is to tell the board of transport commissioners, "If your rate granted to us is not a proper one in our opinion, we are going to build elsewhere." I do not think that is something parliament intends in the authorization of construction. They say they do not intend to build unless they get a proper rate.

I have mentioned section 5 allows them to sell, lease and convey; and section 10 in the Wabush-Carol agreement prohibits an assignment. We think that affects our long-term position. We undertook to be in partnership with one group and not somebody they might sell, lease or convey to.

Beyond that I have nothing to add, and I thank you and the honourable members for the great amount of time you have given us.

The VICE-CHAIRMAN: Mr. Pattillo, you have a word too?

Mr. PATTILLO: I am not going to take long in reply because, with great respect to Mr. O'Brien, I think a great deal of what he has said is completely irrelevant to the problem that is before you.

It seems to me Mr. O'Brien's argument can be summed up in this way: "As long as these people were content to be a provincial railway we would have been most happy to take all the ore they wanted to bring along; and we accepted to take their ore, and we would take it down at rates that would be fixed by the board of transport commissioners; but the moment they sought to become a federal railway, under the jurisdiction of the board of transport commissioners, this is as well as our railway, then we thought there was a nigger in the woodpile, and we have come here and asked you to throw the whole thing out."

He says the reason that he wants you to throw us out is, first, that the whole scheme was that there would be the two companies having running rights over this 40-mile railway, which would connect at mile 224 with the Q.S.&L, to live in perpetual partnership. The scheme was this: Carol Lake is given a perpetual running right by agreement with Northern Land and, as I explained to you this morning, Northern Land owned the tracks and owned the right of way. We are in no way affecting that right of Carol Lake. Carol Lake will always, so far as we are concerned, have that right, because that is a right that we have nothing whatever to do with. It is between Northern Land and Carol Lake. He says, "As far as we are concerned, it was contemplated we would have perpetual running rights over that." If we were going to have the perpetual running rights we would have gotten them from Northern Land, the same as Carol Lake is going to get them.

It is quite true the Railway Act of Canada says we cannot get our perpetual running rights once we come under the jurisdiction of the parliament of Canada. But if we are willing to take our chance as to whether at the end of 21 years the board of transport commissioners will renew our running rights, whose concern is it but ours? And how does that affect their position?

Our position is we have had to make a contribution to Northern Land in order that it could build the line. We have done that, and paid our share, dollar for dollar, with the other people. They are saying, "Ah, yes, but you have a perpetual obligation." Not at all: the agreement distinctly provides that either one of the companies can give us their rights tomorrow, if they wish to do so.

Mr. O'BRIEN: Where?

Mr. PATTILLO: If they give them up they are subject to forfeiture and lose their rights. If we want to run those risks, surely that is our affair. We have paid our share of building that railway. It is not a question of their being in a position where they might not get their share from us of the cost of constructing the railway.

Mr. O'Brien talks about the right to assign. What we have provided in the bill is very definitely that we are not released from any of our contractual obligations. If we are prevented from assigning, that settles the matter. Whether we could or not is a question upon which Mr. O'Brien and ourselves do not necessarily agree. But I have not heard anything that he has put forward, before you gentlemen, any more than he has put forward before, in the other place. He says, "We are opposed to the bill. We do not like it." It really comes down to, "We do not like it because we do not want these railway companies to be federal companies."

He has talked about the precedents. Under section 6, of the Railway Act of Canada, there is specific provision for provincial railways being brought under the jurisdiction of the board of transport by having them declared to be

works for the general advantage of Canada. One of you gentlemen said you thought this project would be for the general advantage of Canada; and I certainly think any project that is going to offer jobs, that is going to offer the investments which this project contemplates, is for the general advantage of our country.

If I could just take a few moments on some of the earlier statements that Mr. O'Brien made, which I think are irrelevant, but which I do not want to permit to remain on the record unchallenged: He says that Newfoundland wanted a provincial railway. I do not know what Newfoundland wanted, but my understanding was that they did not want two railways up in the northern part of the country, running almost side by side. They could not see the economic advantage in that—no more than I can see the economic advantage of our building our railway from Wabush lake right to Seven Islands, and going through territory almost paralleling territory of the Quebec North Shore and Labrador Railway. You have seen the bill with regard to that. We have costs figures on that. Our costs indicate to us we could build that railway and put our ore over for less than the \$2.50 which our friends talk about.

Let me just mention the \$2.50 they have talked about, which was put forward by Mr. Durrell in 1955, and how Mr. Durrell arrived at that \$2.50 rate. First of all, if it going to be our equipment going over the line, why is he worried about the brakes wearing out, and that sort of thing? Secondly, unfortunately we have not got this information here with us today, but we did have this information before the Senate Committee, and it appears in the report of May 12, 1960, at page 63, where we produced this memorandum. And this is what we say:

At the present time our experts seem to be in very sharp disagreement; and on the factual issue, what Mr. O'Brien said this morning now has been done, I must admit surprises me. I have before me here a memorandum of a meeting of February 2, 1959 between the principals of these two groups.

—that is the Wabush Iron group and the Iron Ore Corporation—

I will not read it to you, but it mentions the fact that we are very anxious to establish the rates over their line, as was pointed out and a figure was mentioned as to the rate they would be prepared to charge, which we thought was at least too high, and every year we have been endeavouring to negotiate this rate, and the reason we finally came here was because we came to the conclusion that too much time was going by and we were not getting any place.

I do not think Mr. O'Brien would challenge the accuracy of that statement.

Now Mr. O'Brien spoke about this \$3.00 rate, and we are in the corporate position the Iron Ore corporation was in, and that they would, if they were not setting up this \$3.00 rate on the basis of expert opinion,—it would be of advantage in lowering the rate and putting them in a position where they would be free of taxes for three years. He forgot to tell you that this Iron Ore corporation is a Delaware corporation and it is not a Canadian corporation.

He talks about the rates for the Hilton mine, from the Hilton mine to Hamilton. Surely, they are not comparable, with the C.P.R. supplying trains and all the equipment, and all we are doing is supplying the ore and paying for its shipment. What we are talking about here is supplying our own equipment.

Mr. CAMPBELL (*Stormont*): Does that include locomotives?

Mr. PATILLO: Yes.

Mr. CAMPBELL (*Stormont*): The whole works?

Mr. PATTILLO: Yes, sure we do. We contemplate the whole business.

Mr. CAMPBELL (*Stormont*): Personnel, all the rolling stock including the motive power, the locomotives?

Mr. PATTILLO: Yes, that is what we are contemplating. When you are talking about rates, as my partner Mr. De Roche has just pointed out, we would be supplying the ore cars. If we are talking about having applied for running rights under section 196 of the Railway Act, and being given them, then we would supply everything, and use tracks like the C.P.R. use the C.N.R. tracks, and vice versa.

Mr. McGEE: Could I ask you to explain the use of the word "contemplate"? I am not familiar with court procedures. Are you, in fact, going to proceed on that basis, or is this just an optional course open to you?

Mr. PATTILLO: May I put it like this: at the present time we are anxious to get on with this thing as quickly as possible. If we get this bill through we intend to go before the board of transport as quickly as we can get there. We want to know as quickly as possible just what we can do. Certainly, in going to the board of transport I would go on an alternative basis, because I could not put all our eggs in one basket.

Mr. O'BRIEN: What would the alternatives be?

Mr. McGEE: By "alternatives," do you mean running rights?

Mr. PATTILLO: There are three possible things: one is the running rights; another is a joint tariff, where we are the originators on the project and it is going over three railways; and the third one is merely as a shipper.

Mr. McGEE: A fourth is, you mentioned, you figure you could build the line right to the North Shore and operate it for less than \$2.50?

Mr. PATTILLO: Yes, for less than \$2.50.

I do not think there is anything further I wish to add.

The VICE-CHAIRMAN: Now, gentlemen, is it the feeling of the committee that you would like to sit tonight?

Mr. PATTILLO: That is everything I wish to say.

Mr. O'BRIEN: We were speaking of Canadian taxes, and where a company is operating here in Canada and is subject to Canadian taxes, it is given an exemption for three years.

Mr. SMITH (*Simcoe North*): When did the three-year exemption occur?

Mr. O'BRIEN: It would start when production began.

Mr. SMITH (*Simcoe North*): I mean which three years?

Mr. DURRELL: It is usually two-thirds of the capacity of your operation. We had 1956, 1957, and 1958.

Mr. SMITH (*Simcoe North*): Those were the three years?

Mr. PATTILLO: You were subject to United States taxes during that same time, were you not?

Mr. DURRELL: As far as Canada is concerned, they were all Canadian taxes, and having paid them, the United States taxes were extra.

Mr. SMITH (*Simcoe North*): Did you receive a mining exemption for three years?

Mr. DURRELL: Yes.

Mr. DEROCHE: Perhaps Mr. Pattillo did not get it quite right. We were not in any sense suggesting that you were paying your Canadian taxes. We were thinking of Mr. O'Brien in the sense that he was tax free in Canada,

and that it affected his rates. But the fact that a company was taxable in the United States would not make it tax free in Canada, and it would not affect him at all.

Mr. O'BRIEN: But it did, We do not agree.

The VICE-CHAIRMAN: Are there any further questions?

Mr. VALADE: In fixing the amount at \$3, did you take into account the taxes which you paid in Canada and in the United States?

Mr. O'BRIEN: No sir. Under the Railway Act and under the Board of Transport Commissioners the rates in various parts of the country must be approximately the same. They do not look at what your tax situation is, or anything else.

Mr. VALADE: You said that you had experts who fixed the rates.

Mr. O'BRIEN: They fixed them by making them conform to rates in other parts of the country. There is a national policy of fixing freight rates in all the country, and it is set out in the Railway Act.

The VICE-CHAIRMAN: We have the bill before us. If there are no more questions—shall the preamble carry?

Agreed to.

Clauses 1, 2, 3, 4, 5 and 6 agreed to.

Shall the title carry?

Agreed.

Shall the bill carry without amendment?

Agreed.

Shall I report the bill without amendment?

Agreed.

Thank you, gentlemen.

Mr. McPHILLIPS: Before we adjourn, in view of the difficulty we have had lately in getting a quorum, I would like to move that we report to the House recommending that henceforth our quorum be reduced from 15 to 11 members.

The VICE-CHAIRMAN: It is moved by Mr. McPhillips; is there any seconder?

Mr. ASSELIN: I second the motion.

The VICE-CHAIRMAN: A motion has been made. The motion is agreed to? Agreed.

We have now referred to the committee another bill, in regard to the Canada Shipping Act. I am not quite sure whether we can get at it on Thursday or not. But if it is not on Thursday, it will be on next Tuesday.

Mr. McDONALD (*Hamilton South*): I move that we adjourn.

THE FOLLOWING IS THE TEXT OF THAT PART OF THE COMMITTEE'S PROCEEDINGS CONDUCTED IN THE FRENCH LANGUAGE

ON TROUVERA CI-DESSOUS LE TEXTE DE LA PARTIE DES DÉLIBÉRATIONS
DU COMITÉ QUI S'EST DÉROULÉE EN FRANÇAIS

COMITÉ DE CHEMINS DE FER,
CANAUX ET LIGNES TÉLÉGRAPHIQUES

(Page 1377)

M. PIGEON: J'aimerais poser une question, mais en français. Elle sera interprétée.

Si vous ne permettez pas à une société "compétitrice" d'utiliser votre chemin de fer, ou bien si vous le lui permettez en fixant des tarifs, par le fait même vous pouvez décider oui ou non du "développement" du Nord. Autrement dit vous vous rendez roi et maître de cette région du Québec.

M. O'BRIEN: Non, monsieur.

(Page 1381)

M. PIGEON: En voulant fixer vous-même, c'est-à-dire votre société, les tarifs sans passer par la Commission des transports, par le fait même vos "compétiteurs" sont à la merci de votre société; autrement dit, il n'y a plus de juste concurrence.

(Page 1382)

M. ASSELIN: Je désire poser une question en français. Toute la question repose sur les tarifs?

M. ASSELIN: Je voudrais poser une deuxième question. Comment voulez-vous qu'une société comme la *Wabush* puisse contempler consacrer plusieurs millions de dollars sans être fixée auparavant sur les tarifs qu'elle aura à payer?

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

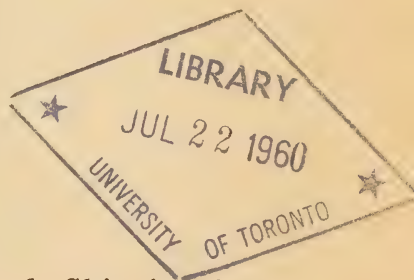
1960

STANDING COMMITTEE
ON
**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Vice-Chairman: W. MARVIN HOWE, ESQ.

PROCEEDINGS

No. 25



Bill C-80, An Act to amend the Canada Shipping Act
Including Thirteenth Report to the House

TUESDAY, JULY 5, 1960

WITNESSES:

Hon. George Hees, Minister of Transport; Mr. C. S. Booth, Senior Assistant Deputy Minister of Transport; Captain F. S. Slocombe, Chief, Nautical and Pilotage Division, Department of Transport; Mr. Jean Brisset, Q. C., Solicitor, Shipping Federation of Canada, Inc.; Mr. Charles J. Gélinas, Solicitor, Fédération des Pilotes du Saint-Laurent; and Mr. W. J. Fisher, Manager, Canadian Shipowners' Association.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

Allmark,	Deschatelets,	McGee,
Asselin,	Drysdale,	McGregor,
Badanai,	Dumas,	McPhillips,
Baldwin,	Fisher,	Monteith (<i>Verdun</i>),
Bell (<i>Saint John-Albert</i>),	Garland,	Pascoë,
Bourbonnais,	Grills,	Payne,
Bourget,	Horner (<i>Acadia</i>),	Peters,
Bourque,	Horner (<i>Jasper-Edson</i>),	Phillips,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pigeon,
Brassard (<i>Lapointe</i>),	Keays,	Pratt,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Rapp,
Bruchési,	Lessard,	Rogers,
Cadieu,	MacInnis,	Rynard,
Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Smith (<i>Calgary South</i>),
Campeau,	Martin (<i>Essex East</i>),	Smith (<i>Lincoln</i>),
Chevrier,	Martini,	Smith (<i>Simcoe North</i>),
Chown,	Michaud,	Thompson,
Creaghan,	McBain,	Tucker,
Crouse,	McDonald (<i>Hamilton South</i>),	Valade,
Denis,		Wratten—60.

Eric H. Jones,
Clerk of the Committee.

ORDER OF REFERENCE

HOUSE OF COMMONS

MONDAY, June 27, 1960.

Ordered,—That Bill C-80, An Act to amend the Canada Shipping Act, be referred to the Standing Committee on Railways, Canals and Telegraph Lines.
Attest.

L.-J. RAYMOND,
Clerk of the House.

REPORT TO THE HOUSE

FRIDAY, July 8, 1960.

The Standing Committee on Railways, Canals and Telegraph Lines has the honour to present the following as its

THIRTEENTH REPORT

Your Committee has considered Bill C-80, An Act to amend the Canada Shipping Act, and has agreed to report it with the following amendments:

Clause 2

1. Page 2, amend the proposed new section 375B of the Act by inserting therein immediately following subsection (2) thereof, the following subsection as subsection (3):

“(3) Subsection (1) does not apply to a vessel registered in Canada or the United States

(a) whose operations are upon the Great Lakes or between ports in the Great Lakes and the St. Lawrence River; or

(b) whose operations are primarily as described in paragraph (a) and that makes occasional voyages to ports in the maritime provinces of Canada.”

2. Page 2, renumber subsection (3) of the said section as (4).

Your Committee recommends that the proposed new section 375B of the Act appearing in Clause 2 of Bill C-80 be further amended in Committee of the Whole by adding the following subsections:

“(5) The authority given in subsection (1) to United States registered pilots or persons holding licences issued by the Government of the United States shall extend only so long as Canadian registered pilots or officers having the qualifications prescribed by the Governor in Council are granted similar authority by the Government of the United States in the United States waters of the Great Lakes, their connecting and tributary waters and the St. Lawrence River as far east as St. Regis in the Province of Quebec.

“(6) The exemption given in subsection (3) to a vessel registered in the United States and described in that subsection shall extend only so long as a similar exemption is given by the Government of the United States to a Canadian registered vessel described in that subsection in the United States waters of the Great Lakes, their connecting and tributary waters and the St. Lawrence River as far east as St. Regis in the Province of Quebec.”

A copy of the Minutes of Proceedings and Evidence relating to the said Bill is appended.

Respectfully submitted,

W. M. HOWE,
Vice-Chairman.

MINUTES OF PROCEEDINGS

TUESDAY, July 5, 1960.

(41)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.30 o'clock a.m. this day, the Vice-Chairman, Mr. W. M. Howe, presiding.

Members present: Messrs, Badanai, Browne (*Vancouver-Kingsway*), Chevrier, Chown, Howe, Keays, Martini, McBain, McGee, McPhillips, Monteith (*Verdun*), Payne, Pigeon, Rapp, Rogers, Smith (*Calgary South*), Smith (*Simcoe North*), and Thompson—18.

In attendance: of the Department of Transport: The Honourable George Hees, Minister; Mr. C. S. Booth, Senior Assistant Deputy Minister; Mr. Alan Cumyn, Director, Marine Regulations Branch; Captain F. S. Slocombe, Chief, Nautical and Pilotage Division; and Captain D. R. Jones, Supervisor of Pilotage, Nautical and Pilotage Division: *of Canadian Shipowners' Association:* Mr. W. J. Fisher, Manager: *of Shipping Federation of Canada Inc.:* Mr. Jean Brisset, Q.C., Solicitor, and Captain J. E. Matheson, Assistant General Manager: *of Fédération des Pilotes du Saint-Laurent:* Mr. Jean-Guy Chartier, Vice-President, and Mr. Charles J. Gélinas, Solicitor.

The Committee proceeded to consider a public bill, namely, Bill S-80, An Act respecting Canadian Shipping Act.

The Clerk read the Order of Reference dated June 27, 1960 whereby the said Bill had been referred to the Committee.

On Clause 1

On motion of Mr. McBain, seconded by Mr. McPhillips,

Resolved,—That the Committee print 750 copies in English and 250 copies in French of its Minutes of Proceedings and Evidence in respect of Bill S-80.

The Chairman then announced the names of the officials who were in attendance representing organizations which were interested in the said Bill, as set out above.

The officials of the latter two organizations, having indicated that they wished to make representations on the Bill, the Committee agreed that they be heard.

Mr. Booth was called; he explained the purpose of the Bill and was questioned thereon. Mr. Brisset was called; he made representations proposing certain amendments to the Bill for the consideration of the Committee when the Bill would later be dealt with in detail. He was questioned thereon.

Mr. Gélinas was called. He made certain representations in regard to the Bill and was questioned thereon. During his examination, Mr. Booth answered questions which were directed to him.

On Clause-by-Clause consideration

Clause 1 was carried.

At 11.58 o'clock a.m. the Committee adjourned until 2 o'clock p.m. this day.

AFTERNOON SITTING

TUESDAY, July 5, 1960.

(42)

At 2 o'clock p.m. this day the Committee resumed consideration of Bill C-80, the Vice-Chairman, Mr. W. M. Howes, presiding.

Members present: Messrs. Allmark, Bourque, Brassard (*Chicoutimi*), Chown, Denis, Fisher, Keays, MacInnis, Martini, McBain, McGee, McPhillips, Monteith (*Verdun*), Pascoe, Payne, Phillips, Smith (*Calgary South*), Smith (*Lincoln*), Smith (*Simcoe North*), Thompson, and Tucker—21.

In attendance: Same as at the morning sitting of this day.

Continuing on Clause-by-Clause consideration of Bill C-80

On Clause 2

Mr. Booth and Captain Slocombe explained the proposed amendments to the Bill and were questioned thereon.

Under "Part VIA, Great Lakes Pilotage" of the Bill, the proposed section 375A of the Act was carried.

On the proposed subsection 375B, (1) of the Act

Mr. Brisset addressed the Committee and was questioned thereon.

On motion of Mr. McPhillips, seconded by Mr. Smith (*Lincoln*),

Resolved,—That the proposed subsection 375B (1) carry.

On the proposed subsection 375B (2) of the Act

Mr. Booth and Mr. Gélinas were questioned.

On motion of Mr. Browne (*Vancouver-Kingsway*), seconded by Mr. McPhillips,

Resolved,—That the proposed section 375B of the Act be amended by adding, after "requirements of subsection (1)" in line 29 the following:

"Subsection (1) does not apply to a vessel registered in Canada or the United States

(a) whose operations are upon the Great Lakes or between ports in the Great Lakes and the St. Lawrence River; or

(b) whose operations are primarily as described in paragraph (a) and that makes occasional voyages to ports in the maritime provinces of Canada."

The proposed subsection 375B (2) of the Act was carried as amended.

The proposed subsections 375C and 375D of the Act were severally carried.

Clause 2 was carried as amended.

Clause 3 was carried.

The Title and the Preamble were severally carried.

The Bill was carried as amended.

Ordered,—That Bill C-80 be reported to the House as amended.

The Committee reverted to Clause 2 of the Bill. Following debate the Committee agreed that Mr. Booth, in consultation with the Law Officers of the Crown, draft an appropriate subsection or subsections to the proposed section 375B of the Act to bring in reciprocal provisions respecting privilege of pilots and vessels of Canada and the United States to work in each others' waters, so as to be in agreement with similar provisions contained in legislation of the United States which has recently been enacted.

The Committee further agreed that the subsection or subsections so drafted be the substance of a recommendation by the Committee to the House for a further amendment to be made to Bill C-80 in the Committee of the Whole.

The said subsections referred to in the above paragraph, drafted by Mr. Booth in consultation with the Law Officers of the Crown, are as follows:

"(5) The authority given in subsection (1) to United States registered pilots or persons holding licences issued by the Government of the United States shall extend only so long as Canadian registered pilots or officers having the qualifications prescribed by the Governor in Council are granted similar authority by the Government of the United States in the United States waters of the Great Lakes, their connecting and tributary waters and the St. Lawrence River as far east as St. Regis in the Province of Quebec.

"(6) The exemption in subsection (3) to a vessel registered in the United States and described in that subsection shall extend only so long as a similar exemption is given by the Government of the United States to a Canadian registered vessel described in that subsection in the United States waters of the Great Lakes, their connecting and tributary waters and the St. Lawrence River as far east as St. Regis in the Province of Quebec.")

At 3.55 o'clock p.m. the Committee adjourned until 9.30 o'clock a.m. on Thursday, July 7, 1960.

Eric H. Jones,
Clerk of the Committee.

EVIDENCE

TUESDAY, July 5, 1960
9:30 a.m.

The VICE-CHAIRMAN: Order, gentlemen.

We have before us this morning bill C-80, an Act to amend the Canada Shipping Act. I will ask the Clerk to read the order of reference.

The CLERK OF THE COMMITTEE: Order of reference of the house dated Monday, June 27, 1960: Ordered, that bill C-80, an Act to amend the Canada Shipping Act, be referred to the Standing Committee on Railways, Canals and Telegraph Lines.

The VICE-CHAIRMAN: We require a motion in respect of printing. It is suggested that we print 750 copies in English and 250 copies in French.

Moved by Mr. McBain, seconded by Mr. McPhillips; agreed to.

On clause 1—*Pilots licensed in United States exempted.*

The VICE-CHAIRMAN: We have with us today Mr. C. S. Booth, Senior Assistant Deputy Minister of the Department of Transport. I will ask him to introduce the other gentlemen with him.

Mr. C. S. BOOTH, (*Senior Assistant Deputy Minister, Department of Transport*): Mr. Chairman, the officials are Mr. Alan Cumyn, director of the Marine Regulations Branch; Captain F. S. Slocombe, Chief, Nautical and Pilotage Division, and Captain D. R. Jones, Supervisor of Pilotage.

The VICE-CHAIRMAN: We also have with us Mr. W. J. Fisher, manager, Canadian Shipowners' Association. He is attending as an observer and will be available for questioning if any of the members wish to question him.

Also we have Mr. Jean Brisset, Q.C., solicitor of the Shipping Federation of Canada, Incorporated, and Captain J. E. Matheson, Assistant General Manager. Then, we have Mr. Jean Guy Chartier, Vice-President, Fédération des Pilotes du Saint-Laurent, and Mr. Charles J. Gélinais, solicitor.

Both these latter groups wish to speak. What is your feeling in respect of that, gentlemen? Shall we hear them after the bill has been explained?

Agreed.

The VICE-CHAIRMAN: I will now ask Mr. Booth to explain the bill to us.

Mr. BOOTH: Mr. Chairman, if I might briefly give you a little background of this bill I think it would facilitate the questions on it. The subject of marine pilotage on the Great Lakes has been under consideration, both in the United States and in Canada, for a number of years. About five years ago the Americans made it clear to us that it was their intention to adopt legislation in respect of pilotage on the lakes. We entered into consultation with them and indeed these consultations have been carried on over the years down to the present time. Quite obviously, because of the international character of these waters, it is essential that any system of pilotage to be effective must be co-ordinated between the two countries.

As hon. members no doubt are aware, a bill was before the House of Commons a year ago, but at that time because there were certain uncertainties as to what the United States was going to do the bill was withdrawn, or at least was not proceeded with. Since that time consultations have continued and,

if I might, I will list in general terms the agreements and arrangements which have been made between the two countries. I think it is necessary to do that here, because in view of our method of legislation in our bill we have certain general provisions and general powers and it is intended, pursuant to those powers, to provide by regulation the detailed working basis for this pilotage system.

These are the arrangements:

- (1) that compulsory pilotage be provided for in those waters of the Great Lakes which, because of their restricted and dangerous character, make this necessary in the interests of safety,
- (2) that in other than "designated" waters it will not be necessary to carry a pilot provided a ship's officer has certain special minimum qualifications, including a knowledge of the Great Lakes rules of the road, a knowledge of the English language sufficient to permit effective use of the radio telephone, and some limited local knowledge of the waters to be traversed,
- (3) that "designation" in respect of the "international" waters of the lakes (in which ships' courses cross the international boundary) will be determined by agreement between and "designated" by both countries,
- (4) the designation of "non-international waters will be the subject of consultation between the two countries and will be made by each in respect of its own waters.

Examples of non-international waters could be Chicago harbour and Toronto harbour. These are the primary responsibility and prerogative of the country concerned, whether Canada or the United States; but in regard to those there would be consultation. We have in mind that there should be some balance, some measure of uniformity, as to the designation on both sides.

- (5) Great Lakes vessels, both Canadian and U.S., will be exempted from the pilotage requirements (because they do not need pilots), also government vessels.

The reason for that is that they are thoroughly familiar with these waters and do not need pilots.

- (6) each country agrees, on a reciprocal basis, that pilots of the other may operate in the waters,
- (7) that there shall be an equitable distribution of work between Canadian and U.S. pilots,
- (8) that there shall be continuing consultation between the two governments in respect of such matters as the number of pilots to be registered on each side; tariffs to be charged for pilotage services; organization of pilotage services and pools of services on both sides on a coordinated basis in the interests of efficiency and economy.

Mr. Chairman, of necessity the form of the legislation is quite different on the two sides. In our case we have some general provisions and we provide regulations for the purpose of implementation. The United States has gone into much greater detail in its bill. That is the background. May we now proceed to the bill itself.

The VICE-CHAIRMAN: Before we proceed with the bill, I think probably we had better hear the other people who wish to make representations here.

Mr. CHEVRIER: May I ask some questions of Brigadier Booth?

The VICE-CHAIRMAN: Certainly.

Mr. CHEVRIER: I would like to ask one or two questions in connection with the bill which was withdrawn last year. My understanding is that it was withdrawn pending the negotiation of an agreement with the United States. I think you have indicated that that was the case. You have said that an agreement was reached on a number of points, but this leads me to this question: is it not a fact that the intention then was that the legislation be comparable and that the agreement reached should be contained not only in the United States legislation but also in the Canadian legislation? To me that does not seem to be the case after having read the bill.

Mr. BOOTH: I can express only my understanding, which is that the purpose of the consultation was to reach agreement on the objectives. I think it would be quite impossible to devise a bill which would qualify by both the United States and the Canadian standards.

Mr. CHEVRIER: I agree with that; we could not have two bills in the same wording. That, however, was not my point. My point is that the legislation should be concurrent. From what I can see, while that is the case in some instances it is not throughout the bill. I have not had an opportunity of looking at the United States legislation. I have it here now for the first time. It seems to me there should be some explanation as to what the governor in council is going to do not only in respect to designated waters—the minister already has explained that in the house—but also in respect of pilots. For instance, 375B. (2) says:

The minister may, upon such terms and conditions as he deems advisable, exempt any owner or master from the requirements of subsection (1).

I do not think the minister can be held to give a detailed explanation of that, but I think there should be some indication of what is the intention so that the pilots who are here, for instance, might know what is in the mind of the government. That was my only purpose in hoping that there could be concurrence in the two pieces of legislation.

Mr. BOOTH: In my opening remarks I did outline the several points upon which there is agreement. I use that term loosely, because a lot of that took place in discussion. There was some exchange of notes. All those points have been covered in our discussions. If the hon. member perhaps would repeat his points one at a time I could deal with them. I will not undertake to cover all the points he has raised without some clearer indication of the points he wishes to bring out.

Mr. CHEVRIER: I do not want to delay the committee here. The only thing in my mind is this one general point. When the bill was withdrawn my understanding was that the legislation would be concurrent. I do not mean that it should be word for word with what is in the United States bill—that would be impossible—but I understood that the agreement reached would be implemented in the Canadian legislation in the same manner that it is in the United States legislation. I understand that that is not the case.

Mr. BOOTH: May I deal with that point first. At the present time pilotage is dealt with in the Canada Shipping Act in part VI which is a very comprehensive document of some fifty or sixty sections which set out in great detail all of the provisions in relation to pilotage. They were designed for Canadian use under Canadian conditions. They are basic pilotage law. That is the situation on the Canadian side. This new part VI(A) merely tacks on to this some special provisions which are designed to take care of this quite unique situation in the Great Lakes, where we have to work with our United States neighbour.

On the United States side the situation is entirely different. So far as I am aware there is nothing in the federal United States law which deals with pilotage in any manner similar to the manner in which the Canada Shipping Act does that. They have their rules under which pilots will be licensed by the coast guard and so on, but they have no basic pilotage laws such as we have; so that they have to start absolutely from scratch to produce a law which will work under their conditions. I happen to know they had a great deal of difficulty in doing this and finally assigned to the Department of Commerce the business of administering this, which in Canada our own Department of Transport is doing. They had to devise a system whereby they would not interfere with the jurisdiction of the Coast Guard, whose primary concern is safety and who licenses all pilots in so far as competency is concerned. So under the American system we will have a group of pilots who have the basic coast guard qualifications in regard to competency and then superimposed on top of that is the system of registration under which they will be authorized to operate as pilots in this Great Lakes area.

Mr. Chairman, there are many other reasons why there are these quite striking differences in the form of our legislation. However, I do submit, sir, that it is absolutely inevitable that that should be so.

Mr. McGEE: Mr. Chevrier has raised the question in regard to the American bill. Some of the members have a copy of it. Is it generally available? Have you copies for the members of this committee?

Mr. BOOTH: Sir, I have a limited number of copies. I have about a dozen here.

The CHAIRMAN: That would be quite sufficient.

Does that answer your question, Mr. Chevrier?

Mr. CHEVRIER: I think in order to assist the committee perhaps we could hear the evidence, and maybe if there is any reason for it, I would like to reserve my questions until afterwards.

Mr. SMITH (*Simcoe North*): I have just about two questions I would like to ask Mr. Booth. The answer to the first question may be necessary to me because of my being unfamiliar with the act. I cannot find provided anywhere in the Shipping Act that a Canadian registered pilot has to be either a Canadian citizen or a British subject. Is that provided anywhere?

Mr. BOOTH: I think not, but perhaps I could consult the experts, sir. The answer is no, sir.

Mr. SMITH (*Simcoe North*): Is it not provided in the amendments that a Canadian registered pilot must be either a Canadian citizen or a British subject?

Mr. BOOTH: It is intended that it will be in the regulations, but it is not provided in the act.

Mr. SMITH (*Simcoe North*): My other question is a question more or less in regard to detail. This question might be more properly asked at a later time. In section 375B (1) (b) (i) why is the term "Canadian registered pilot" not used instead of, as it is, "a registered pilot"?

Mr. MCPHILLIPS: That is because they can use an American pilot.

Mr. BOOTH: This might not be a complete answer but this is an explanation. In the previous subsection (c) there is a definition of a registered pilot. It means a person not belonging to a ship but who has the conduct thereof, and who is registered as a pilot, (i) by the U.S. Secretary of Commerce, and (ii) pursuant to the regulations made by the governor in council.

Mr. Chairman, I have before me the first draft of the pilotage regulations, which has no status at all except as a draft, and under the heading "registration as pilot" we have this: a person may be registered as a pilot by the Minister of Transport if; (a) he is a Canadian citizen, and (b), and (d), and so on.

Mr. McGEE: Have you copies of that draft for the members of the committee?

Mr. BOOTH: No, sir, we have not.

The CHAIRMAN: That has not been approved as yet. Those are just regulations that must still be approved by the governor in council. I believe that is right, is it not, sir?

Mr. BOOTH: Mr. Chairman, not only is that right, but we do have to consult with the United States in respect of some aspects of this matter which may, or may not have a bearing on what goes into the regulations.

Mr. SMITH (*Simcoe North*): Is there any significant reason as to why it should not have been spelled out in the amendments to the act, that a Canadian registered pilot should be either a Canadian citizen or a British subject?

Mr. McGEE: One reason that might have occurred is because of the fact that the definition of a United States registered pilot in the American act does not describe that such a person shall be an American person.

Mr. BOOTH: Mr. Chairman, this could have been done. I do not think it is the normal practice, and indeed, we have had some difficulty in recent years by reason of requirements for Canadian citizens for certain specialized work, where we have not enough of them.

Mr. SMITH (*Simcoe North*): Are you referring to pilotage in the Great Lakes?

Mr. BOOTH: Not pilotage, no.

The CHAIRMAN: Are there any further questions, gentlemen?

If there are no further questions for Mr. Booth, perhaps we should have Mr. Brisset, the solicitor for the Shipping Federation of Canada, and Captain J. E. Matheson, the Assistant General Manager, come up to the head table. Would you gentlemen please come forward here?

I understand you have a brief or a presentation to make?

Gentlemen, this is Mr. Brisset.

Mr. JEAN BRISSET, Q.C. (*Solicitor, Shipping Federation of Canada, Incorporated*): Mr. Chairman, the Honourable the Minister of Transport and members of the committee, I appear here as counsel for the Shipping Federation of Canada, Inc.

Perhaps I should tell you briefly what the federation is. It is an association of owners and operators of vessels trading from overseas to eastern Canadian ports, St. Lawrence ports and Canadian and United States lake ports.

The federation speaks here on behalf also of the Chamber of Shipping of the United Kingdom, the International Chamber of Shipping of London and the Baltic and International Maritime Conference of Copenhagen. The steamship operators who are members of the federation represent the owners of ocean ships that fly the flags of all the maritime countries of the world. I can say to you that we are speaking here for practically all, if not all, the world ocean shipping industry.

I am very sorry that the time at our disposal after we received the bill that is before you, did not permit us to prepare a written brief. I will have to speak to you off the cuff, so to speak. I will therefore ask you to bear with me if I do not appear as well prepared as I really should have been.

We want to say right here that we support the legislation that is before you today. We will have certain amendments to suggest, but we support this legislation, as we supported the parallel legislation which became law, I am reliably informed, last Thursday in the United States, when it was signed by the President; the Great Lakes pilotage bill.

I must say, and I think you all know, that the United States finally, after years of struggle, came to accept the Canadian point of view on matters of pilotage in the Great Lakes. We are all very grateful to your minister and his officials for the very excellent battle which they fought in order to win their point.

Before I go into the amendments which we propose I will have to give you also some background history. To give you this background history I will have to tell you why we fought and fought so long and so strongly the first American legislation that was introduced some three years ago in the United States, and the parallel Canadian legislation which was introduced in 1958 and later withdrawn. To explain why we fought this legislation, and I think first of all that it is exceedingly important, I will have to explain to you what is meant by the word "pilot" in the United States and what is meant by the word "pilot" here in Canada. I will take an example.

Let us assume that I am a young American boy and I want to go to sea on the Great Lakes. I am eighteen years old. I join a union and I get on board a ship as an ordinary seaman. As an ordinary seaman I will do the duties of an ordinary seaman; I will chip paint, I will act as lookout, and I will take the wheel for two hours during my four hour watch; but I will not navigate the ship. I will do that for three years. During the last year I will have gained a little experience and I will do more wheeling. That is, I will be in the wheel house handling the wheel under the direction of the officer of the watch. I want to get ahead in life and during my spare time I will study my rules of the road and elementary navigation and mathematics, and after these three years I will apply to the Coast Guard for a first class pilot's licence. I have been engaged in working on these ships for the Pittsburgh Steamship Company, as an example. I have been working on ships carrying iron ore from the Mesabi range of lake Superior down to Buffalo. I have been doing this for three years. I will pass my examination with the Coast Guard and I will get a first class pilot's licence. From now on I am a pilot and I am entitled to call myself a pilot. This is the only licence I will ever get all during my life. I am an American pilot.

Now, I have to seek employment. I will go to the company that employed me before, the Pittsburgh Steamship Company, tell them that I have a first class pilot's licence, and ask them if they will engage me on one of their ships. I am a bright boy and the company hires me to start as a third mate on the smallest vessel that they have in their fleet. I start as the third mate on that smallest vessel. I will do a year's work as third mate. A third mate takes the same watch as the captain; in other words, when the third mate is on the bridge the captain is always with him and will train him and will show him how to navigate a vessel. After a little while the captain will report to the company that I deserve a promotion and I will be appointed second mate. I will transfer to a larger ship. There I will gain experience and after a few years again I will be appointed as first mate. I will start as first mate on the smallest vessels and work up to larger vessels with heavier responsibilities. To start with I will pilot, or navigate vessels in open waters, and finally I will be allowed by the captain to navigate a vessel in the restricted waters. After many years, eventually I will get command of the smallest vessel, and so on, until I finally, after 20 years, or so I may be given a master's appointment on the biggest ship of the Pittsburgh Steamship Company.

That is the conception in the United States of what is a pilot. In other words, at 21 years of age, and that is the age-limit, I can get my first class pilot's licence without having ever piloted a ship in my whole life, or rather during the three years I have been aboard ship.

In Canada a pilot is something entirely different. As you know, for instance, in the Quebec district, between Quebec and Les Escoumains, before an individual can become a pilot he must have certain qualifications. He must have a foreign-going master's or officer's licence, or a master or mate coasting licence. Then this individual must undergo very strict training as an apprentice pilot. As an apprentice pilot he must be on board ship under the guidance of a licensed pilot for many years. The requirements, I think, set out five years as the period during which the individual must prove himself to be competent. After this five year period he will receive a pilot's licence entitling him to pilot any ship within a restricted area.

Keeping in mind this difference between what is an American pilot and what we understand as a pilot here in Canada, we were faced with a bill in the United States which said that all ocean ships going into the lakes must be in charge of a pilot holding a coast guard's licence in the restricted waters of the Great Lakes, which are the difficult waters shown on his chart—the St. Mary's river, the Detroit river, Lake St. Clair, and St. Clair river and the stretch between Kingston and Montreal. On the open waters it will be sufficient if there is on board a person holding a pilot's licence issued by the coast guard, ready to advise the master, when necessary. In order to obtain the exact figures, I would have to contact Vice Admiral Richmond, commandant of the American coast guard, who appeared before the committees of the two houses. But, there are either 2,000 or 4,000 of these pilot licences issued in the United States. In other words, what we were told is that anyone—a 21-year-old fellow—with a first-class pilot's licence was entitled to go aboard any ocean ship in the Great Lakes and take charge of the navigation of that ocean ship. Well, no owner could accept this. No master would entrust his vessel to any pilot having no other qualification than a coast guard pilot's licence. That was the safety aspect of it on which we fought.

There also was the economic aspect, in that it turned out that eventually, according to the demands made, in addition to the normal complement of the ship's crew, namely the master and deck officers, we would have had to take three of these pilots without any certainty of their competency. Therefore, we made certain representations—and I would like to quote here the qualifications which we said would only be the ones acceptable in respect of pilots on the Great Lakes.

We said this:

for pilots offering their services in the open waters, of the Great Lakes, the requirements should be:

(i) a first-class pilot's licence for the entire U.S. Great Lakes areas, or master's licence issued by the Department of Transport,

Here, the system is entirely different; the department will issue masters' licences or mates' licences

(ii) proof of service as master trading within the Great Lakes area for at least five years on vessels over 300 gross tons,

(iii) certification under the agreement between Canada and the United States for promotion of safety on the Great Lakes by means of radio.

For the purpose of qualifying for open waters pilot—ten years as watchkeeping officer trading within the Great Lakes area or five years

as sailing master and/or pilot in any designated area in the Great Lakes will be considered equal to five years as master.

Now, for the restricted areas, the qualifications which we recommended, were the following:

(i) a person applying to become a pilot in any restricted waters of the Great Lakes must be in possession of a first-class pilot's licence issued by the United States Coast Guard or a master's licence issued by the Department of Transport for the Great Lakes waters including the particular pilotage area for which the pilot will be licensed, have certification under the agreement between Canada and the United States for promotion of safety on the Great Lakes by means of radio, and have served for a period of three years in the capacity of master or five years as first officer on vessels over 300 tons gross trading regularly in the particular restricted area.

Then, we foresaw a probationary period:

(iii) during the probationary period, the prospective pilot will continue training on vessels over 2500 gross tons in company with a fully licensed pilot. In addition, the prospective pilot during the probationary period will be assigned to other vessels up to 2500 gross tons in the capacity of probationary pilot and will be required to carry out successfully at least twelve such assignments during the season.

(iv) after completing the foregoing training period, the probationary pilot will be required to present himself for examination for a first-class licence and will present himself for such examination when required.

That, gentlemen, gives you an idea of the type of qualifications which we thought pilots should have in the Great Lakes.

Finally, these recommendations were accepted, in principle, and you now will find in the American legislation that it is not sufficient for a pilotage candidate to simply hold a Coast Guard pilot's licence. Now, experience will be one of the guiding factors before a pilot can become a registered pilot.

Having won this point, we had lengthy negotiations or discussions with American authorities until, finally, a bill which was found acceptable, was presented and passed. Of course, Canada participated in all these negotiations, and has now introduced in parliament a bill which, we assume, is intended to be legislation parallel to that of the American; in other words, the two legislations should complement each other so that there will be no differences between the two, in order to ensure safety of navigation on the Great Lakes.

With this background, gentlemen, I now would come to the amendments which I want to propose to this committee.

Mr. McPHILLIPS: Do the Canadian shipping companies belong to your federation?

Mr. BRISSET: Yes.

Mr. McPHILLIPS: The C.P.R., and so on?

Mr. BRISSET: Yes. We have a list of the membership, if you are interested in that.

The VICE-CHAIRMAN: Mr. Brisset, do you intend to explain these?

Mr. BRISSET: I will explain these amendments.

The VICE-CHAIRMAN: Well, I was just wondering whether it would assist the committee, as we have not come to any of the terms of the bill yet, if we heard the other witnesses from the Fédération des Pilotes du Saint-Laurent, and then as each section of the bill comes up, we could discuss it together with your recommendations?

Mr. BRISSET: Yes, I think that would be a very good plan. However, I would like to add a few words here which, I think, could usefully be added without tackling the amendments themselves. I would like to give an idea, using the chart that is here, of the organization.

Mr. CHEVRIER: Mr. Chairman, I was going to suggest that since the witness has not completed his presentation and, as you say, we cannot go into these detailed amendments until we get to the sections, perhaps the witness could tell us, in general terms, what is the purport of these, because this is all pretty technical and complicated.

Mr. BRISSET: That is what I was going to do before actually tackling the amendments themselves.

The VICE-CHAIRMAN: Would you proceed?

Mr. BRISSET: In order to organize a sound and efficient system of pilotage on the Great Lakes which would have, first of all, the objective of ensuring safety, the Great Lakes have been divided into two categories of waters. One is what we call the restricted waters—that is those waters which require specialized knowledge on the part of the pilot in order to guide the vessels through them; the pilot has to know the currents, the shoals, the courses and the conditions prevailing at all times of the year—and these conditions change, in certain cases, from day to day and from hour to hour. Therefore, the lakes having been divided into restricted waters and open waters, the restricted waters then have been subdivided into the various areas which are shown on the chart here. You have the area from Montreal or St. Regis, which is spoken of in the legislation, to Kingston, which, of course, are narrow waters—and you all probably know that stretch. Next, there is the Welland Canal, which requires specialized knowledge on the part of the pilot. Then there is the stretch extending from the southeast shoal at the upper end of Lake Erie, through the Detroit River, Lake St. Clair and the St. Clair River; and finally you have the St. Mary's River and Falls canal between Lake Huron and Lake Superior. In all these restricted areas, the intention is to provide specialized pilots—pilots who have been trained to navigate all kinds of vessels and handle them in these specific areas. They will be qualified in the United States by the Coast Guard and the Secretary of Commerce, based on the licence they hold and the experience they have. Here, of course, they will be qualified by the Minister of Transport as the pilotage authority, and will be assigned to each of these districts and handle ships there. They will be what the act refers to as registered pilots in the restricted waters, and will be assigned to these areas.

For the remainder of the lakes, which we call the open waters—the wide expanses of the lakes—it is not intended that pilots, in the sense in which we understand it, will be used, provided the masters and officers of the ocean ships going there have certain minimum qualifications. In other words, it is considered that in the open lakes, you are not faced with problems of pilotage; you are faced with problems of seamanship similar to the problems of seamanship which masters and officers of vessels meet everywhere else in the world. Ocean going masters have licences issued by the country of their origin entitling them to navigate all over the world—in the Mediterranean, the Baltic sea, the Black sea, and in every ocean of the world. The problems they meet in all waters of the world are the same as in the Great Lakes, except that on the Great Lakes there are different rules of navigation. They are not quite similar to the international “rules of the road”, but I can assure you gentlemen that anybody with average intelligence in the space of an hour can learn what are the differences between the Great Lakes Rules of the Road and the International Rules of the Road.

There would be another requirement, which is that to navigate the vessels in the open waters the masters and officers should have a knowledge of English in order to be able to use the radio-telephone. It now is a practice on the lakes to make extensive use of the radio-telephone to communicate between vessels in order to advise one another of positions, courses and so on. Therefore, to make use of this aid to navigation one must be able to use a common language on the lakes.

There are other requirements. I will not speak of them at the moment. If these minimum requirements are met, however, the officers of ocean vessels are fully qualified to navigate their vessels in these waters. If they do not meet these minimum requirements then they will have to use on the open stretches an assistant—a pilot—who should be a registered pilot. By registered pilot we mean somebody who has been appointed by the government on either side to assist the ocean ships in the open waters, somebody over whom therefore the government has supervision and control and over whom the government can exercise disciplinary measures if necessary. In other words the open water pilot should be treated in the same manner as the restricted water pilot in so far as being subject to supervision and control of the pilotage authority of the government concerned.

That is the systems envisaged to provide efficient pilotage services on the lakes. I will close my remarks here and will explain, at the pleasure of the chairman, the purpose of the amendments.

The VICE-CHAIRMAN: Thank you very much, Mr. Brisset.

We will now hear Mr. Chartier, who is vice-president of the Federation des Pilotes du Saint-Laurent, and Mr. Gélinas, solicitor of that organization.

Mr. CHARLES J. GÉLINAS (*Solicitor, Fédération des Pilotes du Saint-Laurent*): Mr. Chairman, Mr. Minister and members of the committee, I am acting as solicitor for the "Fédération des Pilotes du Saint-Laurent", which is a group of 235 pilots working on the St. Lawrence and the Great Lakes. Mr. Chartier is the vice-president of the organization.

In the name of the federation I wish to express our satisfaction with the bill which now is being presented to you for study. I received this bill only yesterday afternoon, and therefore I had very little time in which to prepare anything in writing. So you will have to excuse me for not having a written brief.

Practically speaking the only point we have to raise is one which has been raised by Mr. Chevrier, dealing with the exceptions in section 375B, paragraph 2, which gives to the minister the power to exempt any owner or master from the requirements of subsection 1. The pilots, while studying this particular article, raised the question of whether this would give the minister the power, for instance, to exempt, say, the Canada Steamship Lines, as the owner, from putting a pilot on all its vessels, or whether it is meant to apply to a particular vessel in each case. We presume it would be to a particular vessel and not to the owner in respect of all the vessels.

Although I understand that this is not the time for amendments, we were wondering if it would not meet the intention of the legislators to exempt the vessel. We think the minister should have the right to exempt the vessel instead of the owner of the vessel. In paragraph (3) of 375B it says:

Notwithstanding subsection (1), a vessel of two hundred and fifty gross tons or over may be navigated—

while in the beginning of paragraph (1) it starts with the words "owner or master" and the same thing in paragraph (2) "owner or master". Our suggestion is that the same wording may be used in the whole of 375B. For instance, that at the beginning it should say "notwithstanding anything in part VI, no

vessel of two hundred and fifty gross tons or over shall operate—”, and that it read the same way in paragraph (2)—“The minister may, upon such terms and conditions as he deems advisable, exempt any vessel from the requirements of subsection (1)”. Then the same thing in paragraph (3): “A vessel may not be navigated without the pilot”. In our estimation this more or less would limit it to an exemption which might be granted to each particular vessel, instead of applying to an owner for all its vessels at large.

We also note that in the United States law, which was passed just recently, there is a reciprocity clause which states that reciprocity shall exist only so long as Canada grants reciprocity. I have noticed, in the amendments suggested by the solicitor for the shipping federation, that this amendment also is suggested to be added as paragraph (1) (c) to section 375B.

The other parts of this bill seem quite agreeable to the pilots. These are the only representations I have been asked to make before the committee.

The VICE-CHAIRMAN: Have any members of the committee questions they would like to ask?

Mr. CHEVRIER: Have there been many exemptions granted under the Canada Shipping Act to owners of vessels?

Mr. GÉLINAS: I do not know. I know that the United States bill does not grant any exemptions, whereas the Canadian bill gives the minister the right to grant exemptions. In reading the United States bill we saw there were no exemptions for ships, whereas in the Canadian counterpart the minister has the right to exempt any owner. We do not know what has been the practice in the past.

Mr. MCPHILLIPS: You suggest that a vessel be exempted. Is that not impossible, because if you exempt a vessel entirely you do not know who may be navigating that vessel.

Mr. GÉLINAS: If you exempt an owner from putting a pilot on a ship you also have the same problem.

Mr. MCPHILLIPS: But that is under entirely different circumstances. I cannot follow your argument that the vessel should be exempted, because one day it might have a proper crew aboard and the next day have a bunch of greenhorns.

Mr. CHEVRIER: What is the legal position vis-a-vis exempting the owner or the vessel?

Mr. GÉLINAS: In paragraph (3) you have “a vessel” and in the beginning you have “owner or master of a vessel”. If you say the vessel shall be operated in designated waters by a pilot, I think it also brings the owner and the master into the picture. He has to see there is a pilot. What I have in mind is that in paragraph (2) you exempt any owner: an owner may have many ships. You might be able to say “we exempt the Canada Steamship Lines from having pilots on its ships, and it seems to me that would be too broad.

Mr. CHEVRIER: If that were to happen it would mean all the pilots assigned to the ships of the Canada Steamship Lines would be out of work.

Mr. GÉLINAS: Yes.

Mr. CHEVRIER: I suppose that is the objection.

Mr. GÉLINAS: Yes.

Mr. MCGEE: What would be the reason that the whole of a major line might be exempt?

Mr. GÉLINAS: We do not know what the intention of the paragraph is. That is why we are raising the point.

Mr. CHEVRIER: Could we have some indication from the assistant deputy minister or from the minister, or perhaps from Mr. Booth as to the intention of the departmental officials in this regard? I am sure the minister, in a case like this, would rely on them. What is the intention of your officials with regard to that clause? Whom do you intend to exempt?

Mr. BOOTH: Mr. Chairman, if I may answer that, I would say that, as I indicated in my opening statement, among the arrangements and agreements between ourselves and the United States, there is one which I listed there as number five;

Great Lakes vessels, both Canadian and U.S., will be exempted from the pilotage requirements (because they do not need pilots), also government vessels,

Because they do not need pilots.

I would like to explain that, sir, if I may, as to how we find in the Bill this provision for exemption by the minister in this case.

Mr. CHEVRIER: Would you excuse me? What was number five again?

Mr. BOOTH: Great Lakes vessels, both Canadian and U.S., will be exempted from the pilotage requirements, and I added in parenthesis, "because they do not need pilots".

May I say this, sir; in the original U.S. bill, which was presented to their Congress, the provision was that the President of the United States would designate the waters which were to be restricted, requiring pilots, and that he would also designate the vessels that were to be exempted from the provisions of the legislation, namely, the Great Lakes vessels. At the last minute, and I think it was in the senate, an amendment was added by the legislators under which they actually spelled out the vessels that were to be designated or exempted under this law. If I may read it, sir, it is section 2 of (f):

"Foreign vessels" means all foreign merchant vessels except Canadian vessels whose operations are exclusively upon the Great Lakes or between ports in the Great Lakes and the St. Lawrence river, or whose operations while predominantly as aforesaid fail of being exclusively so only because of an occasional voyage to a port or ports in the maritime provinces of Canada in the Canadian coastal trade.

As I said, sir, the U.S. intention was that this would be done by the president, and it was our intention in drafting our legislation, to have as much balance as possible in these two pieces of legislation.

Obviously, there is no reason at all why the same exemption, or this provision for exemption of Great Lakes vessels should not be written into our bill itself. It would be quite simple for us to include it.

Mr. CHEVRIER: You would have no objection to including the same clause in the Canadian legislation?

Hon. GEORGE H. HEES (*Minister of Transport*): Not a bit.

Mr. CHEVRIER: How would that inclusion meet your points, Mr. Gelinas.

Mr. GELINAS: It would meet our requirements.

Mr. HEES: We will do that, yes.

Mr. BOOTH: Obviously this should be drafted by the officials of the Department of Justice in order to put the right words in.

Mr. KEAYS: Mr. Chairman, I believe we are not discussing special articles. Could we not do the same as with the previous solicitor, and just go along from the beginning, and as we come to these articles or subsections, discuss them then?

The CHAIRMAN: That would be quite all right.

Are there any other general questions anyone wants to ask Mr. Gélinais?

Mr. CHEVRIER: May I just ask one further question. I do not think there will be any objection to it, but just wonder whether you would put this complementary subsection (f) in our bill?

Mr. BOOTH: Mr. Chairman, the provision that is proposed is to delete in section 375B (2)—“the minister may, upon such terms and conditions as he deems advisable, exempt—” and to replace that, I would say, with—the appropriate language setting this out in detail.

Mr. McPHILLIPS: Mr. Chairman, is it intended to put that in in place of the present wording?

Mr. CHEVRIER: No, you would have to have complementary words in there.

Mr. McPHILLIPS: Yes, because we are not going to do away with the minister's discretion. There may be instances where the minister would want to go beyond the restrictive words.

Mr. CHEVRIER: Perhaps this is a matter for discussion over the luncheon adjournment. I think the point raised by Mr. Gélinais seems to have received the approval of the minister and the deputy minister, and perhaps they might work this out during the adjournment.

May I ask another question which perhaps has to do with something else. You said, Mr. Gélinais, something about a reciprocal clause in the United States bill which you thought should also be included in the Canadian bill. Do you want to amplify that suggestion?

Mr. GÉLINAS: It is practically the amendment that has been proposed by Mr. Brisset.

Mr. CHEVRIER: Thank you.

The CHAIRMAN: Gentlemen, are there any other questions with regard to this bill which you wish to direct to Mr. Gélinais?

We will call on you, Mr. Gélinais, as we consider the sections of the bill.

Coming back to bill C-80, gentlemen, an Act to amend the Canada Shipping Act, shall clause 1 carry?

Mr. CHEVRIER: Mr. Chairman, I thought there were some other witnesses who wanted to be heard.

The CHAIRMAN: Mr. Fisher, manager, Canadian Shipowners' Association is present. He is willing to answer any questions with regard to this legislation, but he does not have any particular presentation to make. Is that correct, Mr. Fisher?

Mr. W. J. FISHER (*Manager, Canadian Shipowners' Association*): That is correct, Mr. Chairman.

The Canadian Shipowners' Association supports the bill. I should qualify that and say that we support it with the proposed amendments that will be suggested by the Shipping Federation of Canada.

The CHAIRMAN: Thank you very much, Mr. Fisher.

Has anyone else any general question to ask Mr. Fisher? If not we will move to our consideration of the bill.

Shall clause 1 carry?

Mr. McPHILLIPS: Just a minute, Mr. Chairman—perhaps this is the best time to raise this point. As I understand it, this amendment is to give Canadian and American pilots complete and full rights in any pilotage, and they are interchangeable?

Mr. BOOTH: They are completely reciprocal, sir. Everything we give to the Americans, they give to us.

Mr. McPHILLIPS: I do not quite get the point. A Canadian shipowner, if he wishes, can use American pilots exclusively in any waters of the Great Lakes?

Mr. BOOTH: That is right, sir.

Mr. McPHILLIPS: And the Americans are giving the same right to our pilots?

Mr. BOOTH: That is right, sir.

May I just say this, though; because this is such a very new idea in the United States, and has been handed to the Department of Commerce to work out, they have not got detailed arrangements, as to how they are going to organize, at the present time. On the United States side there is no question of the government employing pilots. They are going to work through pilot groups, union groups and associations, whatever they may be, and the detailed arrangements as to where these pilots will be based, and the manner in which they will operate, and whether they work in particular areas, or whether they will range the whole of the Great Lakes, and the extent to which they will be intermingled with our own pilots, has not been discussed, at least, to the point of reaching any conclusion. We know our situation. We have some 50 odd pilots employed, and they are operating particularly through the Welland canal area. We know precisely how we can run our show. Our problem is that we do not know, and neither do the Americans know, how they are going to run their show. They intend to work it out. They are satisfied that they can work it out. So, what you said, sir, is certainly correct; this is completely interchangeable, and this law will permit ships to take either American or Canadian pilots, but it will only be within whatever framework is established by agreement between ourselves and the United States.

It may be that in certain areas it would not be possible to get a Canadian, or it would not be possible to get an American pilot.

Mr. McPHILLIPS: You mean it might be physically impossible, but it is permitted under the law?

Mr. BOOTH: Yes.

Mr. CHEVRIER: To follow that up, is there any difficulty about a ship—a foreign ship, or even a United States ship—taking on at Montreal a Canadian pilot, to go right through to the head of the lakes, for instance?

Mr. BOOTH: We do not envisage that, sir.

Mr. CHEVRIER: And, vice versa, an American pilot being taken on by a Canadian ship at Montreal, to go right through.

Mr. BOOTH: That would not be possible. This law limits the "Great Lakes basin" at the eastern end at St. Regis.

Mr. CHEVRIER: Well, let me rephrase my question—to begin at St. Regis, Quebec, or at the international boundary line. That is what you have in mind?

Mr. BOOTH: Yes.

Mr. CHEVRIER: Then, I was thinking of Kingston; let us say a Kingston pilot.

Mr. BOOTH: We envisage that it would be possible for a ship that wants to take a pilot all the way, to do so—and he could be either an American or a Canadian.

Mr. CHEVRIER: Could a Canadian ship take on an American pilot at the head of the lakes and come down to the St. Regis international boundary?

Mr. BOOTH: As a matter of law, yes.

Mr. CHEVRIER: You said you did not envisage any difficulty; is there likely to be any trouble?

Mr. BOOTH: I do not expect it, sir.

Mr. CHEVRIER: Well, as you know, there was last year.

Mr. BOOTH: But that was beyond our control. Yes, there was, sir.

Mr. CHEVRIER: Is this going to be done away with now?

Mr. BOOTH: One cannot foresee what the representatives of the United States pilots are going to do. It is our understanding that there have been talks between officials of the commerce department in the United States and representatives of pilots. We understand that the pilots groups are behind this bill, and are going to cooperate. However, I would not venture anything on that.

Mr. SMITH (*Simcoe North*): It is proposed to limit the number of Canadian registered pilots and, similarly, the number of American registered pilots to the approximate needs of the pilotage area, but it will not be a matter of everyone who is qualified, coming in, writing an examination, and getting his pilotage ticket?

Mr. BOOTH: That is so. Really, it goes further, because there is a limited amount of work. We would not know what it is, but we know a limit is there.

The second point is that United States pilots are entitled to approximately half the work—at least, they are entitled to an equitable distribution as between Americans and Canadians: That is recognized by us.

The third point, of course, is, at the present time, for practical purposes, they are almost wholly Canadian pilots. They are not called pilots, but sailing masters, operating in this area, and the American officials recognize these people just cannot be replaced immediately. Therefore there has to be a phasing in.

We do not expect difficulty by reason of the fact there are practically no United States pilots operating. Obviously, the taking on of Americans gradually should be a relatively simple matter to handle. As I say, the American officials are entirely sympathetic to our situation in that regard.

Mr. MONTEITH (*Verdun*): Will the ship-owners, or the masters, have the privilege of their choice of pilot, or will the pilots be rotated and have to take whatever is in line?

Will the pilots be organized in such a way that No. 1 happens to be a Canadian; No. 2 happens to be an American, or will the shipowners have the privilege of their choice?

Mr. BOOTH: Well, certainly no decision has been taken on that, but our present practice in the pilotage districts is to have the rota system, and in the St. Lawrence, or some of the districts of the St. Lawrence, we have different grades of pilots—I am not sure what the designation is. Let me say that first-class pilots are available for the larger and first-class ships, particularly those with passengers. But, subject to the possibility of that kind of distinction, certainly the rota system would operate.

Mr. CHEVRIER: You propose to use the tour de role system, as we have in Canada?

Mr. BOOTH: Yes, that is what we have in mind.

Mr. CHEVRIER: In the restricted area, from St. Regis up to, say the foot of Lake Ontario, and again on the Welland Canal, the vast majority of pilots are Canadian?

Mr. BOOTH: Yes.

Mr. CHEVRIER: And, I suppose, it is the other way around in the Detroit-St. Clair area?

Mr. BOOTH: Yes. At the present time, they are Canadian, sir.

Mr. CHEVRIER: I see. Where are the American pilots?

Mr. BOOTH: There are practically none at present. We are getting to these ships first—because they enter through Canadian waters—at least, that has been the situation up to the present time. Of course, the American pilots, quite understandably, have objected to that from time to time.

Mr. CHEVRIER: Well, let us try and keep it that way.

The VICE-CHAIRMAN: Gentlemen, are there any other questions on clause 1?

Mr. CHEVRIER: Where is the first amendment?

The VICE-CHAIRMAN: It does not come in until 375B.

Shall clause 1 carry?

Mr. CHEVRIER: I have no objection to its carrying, but this is subject, I take it, to the reciprocal legislation as suggested in the amendment.

Mr. BOOTH: Yes. May I explain this one?

The VICE-CHAIRMAN: Proceed.

Mr. BOOTH: This particular clause is consequential upon the adoption of Part VI A, the reason being this—that under the present part VI which, as I explained earlier, is our basic pilotage law, none but a Canadian licensed pilot may operate within a Canadian pilotage district. It happens, at the moment, there is a part of one district, namely the Montreal-Kingston district, which is within the Great Lakes, as defined here. Actually, the cut-off is at St. Regis, so that the St. Regis-Kingston part of that district would come within the scope of this new part VI A, and, in order to implement the reciprocal arrangement with the Americans, we have to make it possible for American pilots to operate in there, without breaking Canadian law. That is the purpose of that. If, in fact, other pilotage districts were to be established in the Great Lakes then, of course, it would be applicable there. But, at the moment, the only area it actually would affect is the one I have described.

Mr. CHEVRIER: Who has the authority to assign a pilot to a ship, supposing there was a disagreement between the United States and Canadian authorities?

Mr. BOOTH: That, sir, is one of the things that we have to work out—and we intend to work it out. Actually, we received a message only yesterday, through the usual channels, inviting us to get together with U.S. officials as soon as possible in order to get down to these details, because the American law has been passed only within the last very few days.

The VICE-CHAIRMAN: Are there any further questions on clause 1?

Mr. BROWNE (*Vancouver-Kingston*): There is one point on which I want to be clear. The point is raised, in connection with this American bill,—

The VICE CHAIRMAN: Where is that?

Mr. BROWNE (*Vancouver-Kingsway*): It is at the top of the second page—3019-2. It says that this shall be in effect only so long as Canada extends reciprocity to United States registered pilots. What provision is there in our bill? Would it require an amendment to our bill in order to have the same thing in there, or is it already implicit in the bill?

Mr. BOOTH: It is not in our bill. However, if it is desired to have a similar provision then, certainly, we could put it in. The fact is that the American bill is law, and it has provided for reciprocity. However, if there is any thought that they might renege or change their minds, then we could agree on the propriety of putting it in.

The VICE CHAIRMAN: That is in the amendment as suggested by the Shipping Federation of Canada, and we will come to that when we get to section 375B.

Mr. ALLMARK: Do you visualize two pilotage sections between Montreal and Kingston— one from Montreal to St. Regis and one from St. Regis to Kingston?

Mr. BOOTH: One would be wholly Canadian waters. As I have said, there is the existing pilotage district which extends all the way up to Kingston. As I see it, there is no question that there must continue to be this purely Canadian district from Montreal to St. Regis, and there is the remaining portion of that, from St. Regis up, which has to be provided with pilots. Now, whether it is called a district, or whether it is fitted into the over-all plan, is something that has not been decided at the moment.

Mr. CHEVRIER: There is no intention of doing away with the Montreal-Ottawa-Kingston pilotage district?

Mr. BOOTH: Not doing away with it; it may have to be split up so we do not run afoul of this new law.

Mr. CHEVRIER: Putting one east of St. Regis and the other west of St. Regis.

Mr. BOOTH: Yes.

The VICE-CHAIRMAN: Gentlemen, it is 11 o'clock and, probably, it would be wise to adjourn at this time.

Mr. SMITH (*Simcoe North*): Could we not carry clause 1?

Clause 1 agreed to.

The VICE CHAIRMAN: We will adjourn, having passed clause 1, until 2 o'clock this afternoon, gentlemen.

AFTERNOON SITTING

TUESDAY, July 5, 1960

2:00 p.m.

The VICE-CHAIRMAN: Gentlemen, I see a quorum. This morning we completed our consideration of clause 1, and it had carried. Shall clause 2 carry?

On clause 2.

The VICE-CHAIRMAN: I suggest, gentlemen, that we take this as sections 375A, 375B, 375C and 375D. Is it agreeable to the committee to carry it on that way?

Mr. SMITH (*Simcoe North*): Mr. Chairman, on 375A, Designated Waters, I notice on that map that is provided up there that the St. Mary's River is designated water, presumably. Is it the intention to designate the St. Mary's river as restricted waters immediately?

Mr. BOOTH: Mr. Chairman, if I may answer that: there has been agreement with the United States in respect of those waters which are shared; in other words, where the courses actually cross the international boundary. There has been agreement in respect of the St. Lawrence from St. Regis to Lake Ontario, the waters connecting Lake Erie and Lake Huron, and the waters connecting Lake Huron and Lake Superior. The Welland canal, of course, did not require United States agreement, because it is not their water. But that is one of the four main waters that we have in mind as "musts".

Mr. SMITH (*Simcoe North*): Has there been any discussion—or where will the pilots for the St. Mary's section come from?

Mr. BOOTH: There has been no discussion of that at all.

Mr. SMITH (*Simcoe North*): Has there been any discussion as to where they will be put on ships, or taken off?

Mr. BOOTH: Mr. Chairman, Captain Slocombe could tell the committee what would be the logical place to do it; but there certainly has been no discussion resulting in agreement with the Americans on that.

Mr. FISHER: Mr. Chairman, could I ask a supplementary question? Is this inclusion of the St. Mary's river in with designated waters as a result of a request of the Americans?

Mr. BOOTH: Not as a request. There was consultation and agreement. We did not get down to the point of horse-trading on this thing at this stage.

I think there was unanimous agreement among the officials on both sides in respect of those particular four stretches of water which have been named.

Mr. McGEE: Mr. Chairman, I notice, having taken a closer look at the map earlier, that there are other sections of it, smaller locations, crayoned in in red. I am wondering what is the significance of this. For instance, around Toronto and around the south shore of Lake Ontario, and Chicago as well.

Captain F. S. SLOCOMBE (*Chief, Nautical and Pilotage Division, Department of Transport*): Those are lights. The red blobs are lights on the chart.

Mr. SMITH (*Simcoe North*): Mr. Chairman, I think Mr. Booth suggested that Captain Slocombe might give us his ideas on the pilotage in the St. Mary's area.

Captain SLOCOMBE: As a matter of fact, there is a body of pilots already employed for the St. Mary's river arranged for by the Shipping Federation of Canada. I do not know whether Mr. Brisset would like to explain exactly what the Federation is doing in this regard. There are American pilots.

Mr. SMITH (*Simcoe North*): Is it proposed to have those pilots licensed under this act, or to continue them automatically, as employees of the Shipping Federation of Canada?

Mr. BOOTH: May I answer that question, Mr. Chairman? Once this law comes into effect, then only pilots who have been registered either by the Secretary of Commerce, or pursuant to Canadian legislation, will be authorized to implement the provisions and the requirements of this act for pilotage on the Great Lakes. There will be no room for free-lancers at all.

Mr. SMITH (*Simcoe North*): So those pilots whom it is proposed to license for the St. Mary's will have to be re-examined?

Mr. BOOTH: That is right.

Mr. SMITH (*Simcoe North*): Or will they be automatically licensed?

Mr. BOOTH: It will certainly not be automatic. Presumably there will be competition for this; or there may be jurisdictional disputes, and that sort of thing. That has not been determined in advance.

Mr. SMITH (*Simcoe North*): Is it proposed that they will be employees of the Department of Transport?

Mr. BOOTH: My understanding is that the pilots who will be operating on the Canadian side, the Canadian pilots, will be Department of Transport employees.

Mr. SMITH (*Simcoe North*): I am assuming, in each case.

Mr. BOOTH: Yes.

Mr. SMITH (*Simcoe North*): The Canadian pilots who might be employed on the St. Mary's, will they be employees of the Department of Transport?

Mr. BOOTH: That is our present understanding.

Mr. SMITH (*Simcoe North*): And they will be employed on the same basis as the Welland canal pilots?

Mr. BOOTH: A similar basis, I would think.

Mr. SMITH (*Simcoe North*): A similar basis: I realize it could not be identical.

Mr. FISHER: I have a supplementary question, again, Mr. Chairman. Is there any indication that you may have to make swaps there because Canadian pilots tend to have the majority of the run on the Welland?

Since most of the traffic through the St. Mary's is through American locks, do you contemplate that the American pilots will be most used?

Mr. BOOTH: As I explained this morning, the arrangement with the Americans, which is set out in their legislation, is that there will be an equitable division of the jobs between pilots of the two sides; and certainly to the extent that the operation in American waters can be operated by American pilots it will be; and vice versa. For example, the Welland seems "a natural" for Canadians. I think it is inevitable that that will be done. But it does not follow that such an arrangement would exclude—as was suggested by Mr. Chevrier this morning—the possibility of a pilot getting on at St. Regis and going all through the lakes.

Mr. FISHER: In your arrangements with the Americans—maybe you dealt with this—was there some equitable arrangement in so far as charges are concerned?

Mr. BOOTH: The American legislation—I apologize for continually referring to it—but, again, as I explained this morning, because this is something new on the United States side, they put everything into their act; and there is a provision in their act for the Secretary of Commerce to agree with Canada on charges. In any event, it is intended to consult; and I think it is inevitable that there must be uniform charges.

Mr. FISHER: You say "inevitable": you mean, otherwise the shipowners will make a choice for the cheapest?

Mr. BOOTH: Well, the whole scheme will break down. It is an integrated system which we think will work, but it will only work if we cooperate in all aspects of it.

Mr. SMITH (*Lincoln*): Will there be American pilots available on the Port Weller-Sarnia run? In other words, you come to Port Weller, and it is quite natural that American pilots would like to participate in that run.

Mr. BOOTH: The law provides that they may operate there; but we have not had discussions with the Commerce department as to how this is going to be set up. The reason for that is that the United States are only just getting into this business; their bill passed only a very few days ago. They have not made up their own minds how they want to do it and how they are going to do it.

Mr. SMITH (*Lincoln*): You do not know whether they would be under the Canadian supervisor of pilots, or just how it would be worked?

Mr. BOOTH: There has been no decision.

Mr. SMITH (*Simcoe North*): I notice in the newspapers that the shipping federation employ their own pilot in Toronto harbour. Is it proposed—I cannot see the map from here—to put a pilot, under these amendments, in Toronto harbour who will be a government employee, rather than a shipping federation employee.

Mr. BOOTH: That, again, is one of the details that has not been resolved. We have had, within the last few weeks, discussions with the Toronto harbour commission regarding the provision of one or more pilots in Toronto. We have made no commitment about putting in a government-employed pilot there at the present time, because we did not want to muddy the waters in our discussions with the Americans. We do not know what they want to do at Chicago, or some of their points. We know what our requirements are: we have some idea of what their requirements are; but whether or not, and if so, to what extent the allocation of pilots, say to Toronto on the one hand, and Chicago on the other, would be taken into account in this equitable distribution of work, we

have not figured out. My own feeling is that the division should be related to the main channels and that these subsidiaries, in the sense that they are not on the main channel, such as Toronto or Chicago, would be handled under the legislation but on an individual basis and not part of the interchangeability scheme.

Mr. SMITH (*Simcoe North*): In the equitable distribution of pilots, when that distribution is being made, will the fact of the number of miles that the seaway is completely in Canadian territorial water or completely in United States territorial water enter into the provision for the pilots.

Mr. BOOTH: I would think the pilots are interested in the end result, in other words, how much they get out of it.

Mr. SMITH (*Simcoe North*): I am not thinking of the pilots at this moment, but rather the distribution as between the percentage of Canadian and United States pilots employed. Will the location of the restricted waters, either directly in Canadian or United States territorial water, affect the distribution?

Mr. BOOTH: Yes. There could be United States areas or spheres of influence and also Canadian.

Mr. SMITH (*Simcoe North*): So that it is possible that the location and the channel of the St. Lawrence seaway will affect the ultimate percentages as to the employ of Canadian and the employ of American pilots.

Mr. BOOTH: In any particular area?

Mr. SMITH (*Simcoe North*): Or in the overall, if you add the miles.

Mr. BOOTH: No, I think in the overall it was in the minds of both sides that the objective was an equitable distribution, which means 50-50.

Mr. SMITH (*Simcoe North*): Does equitable distribution mean 50-50 now?

Mr. BOOTH: Not necessarily; but I think at the present time most of the deep-sea ships go to the United States ports and it might seem "equitable" to them to claim two-thirds of the business.

Mr. SMITH (*Simcoe North*): That is quite so. Has any consideration been given, at the Kingston end of the seaway, as to where pilots will be put on and put off.

Captain SLOCOMBE: At Alexandria point on the south side of Wolfe island.

Mr. SMITH (*Simcoe North*): Where do the pilots live or where do they stay, mostly.

Captain SLOCOMBE: In Kingston.

Mr. SMITH (*Simcoe North*): So that they have to go from Kingston to Wolfe Island and then to the ship.

Captain SLOCOMBE: We have transportation across.

Mr. SMITH (*Simcoe North*): If the channel was deepened at the approach to Kingston at the east end of Wolfe island I suppose the ships might come through past Kingston, and the pilot point could be Kingston itself.

Captain SLOCOMBE: It might.

Mr. SMITH (*Simcoe North*): It is possible.

Captain SLOCOMBE: It would be more miles.

Mr. SMITH (*Simcoe North*): How many more?

Captain SLOCOMBE: I do not know. We would have to measure it.

Mr. SMITH (*Simcoe North*): But it would be possible.

Captain SLOCOMBE: The smaller ones did before.

Mr. SMITH (*Simcoe North*): I think all ships did before the seaway was built.

Captain SLOCOMBE: Before the big ones came in.

Mr. ALLMARK: This point of Kingston of course interests me. I think Captain Slocombe probably knows that 90 per cent of the shipping, previous to the seaway, came on the Canadian side of Wolfe island rather than on the United States side as at present.

Captain SLOCOMBE: Yes.

Mr. ALLMARK: So it is merely the fact that this one small section was not dredged which forces the draught boats now to go through the United States channel. Is that right?

Captain SLOCOMBE: The reason is that the channel is too shallow for the big ships that are going there now.

Mr. ALLMARK: How much is it too shallow?

Captain SLOCOMBE: Not very much; it is just at the east end there.

Mr. ALLMARK: How far west is the restricted area at St. Mary's? Does it go as far as Whitefish?

Mr. BOOTH: The limits have not been fixed.

Mr. ALLMARK: Suppose it does go as far as Whitefish, how do you get the pilot on and off the boat?

Mr. BOOTH: I would assume in fixing our restriction we would have regard to the practical aspects of the problem such as you mention. I cannot give you the answer.

Mr. ALLMARK: Under the present arrangements the foreign ships are allowed to go through the lakes without a pilot.

Mr. BOOTH: That is right.

Mr. ALLMARK: Through the open water of the lake.

Mr. BOOTH: Through the whole of the lakes so far as we are concerned.

Mr. ALLMARK: That also permits them to enter any of the present busy harbours.

Mr. BOOTH: Yes.

Mr. ALLMARK: In your opinion do you think it is less hazardous to enter the ports of Toronto, Cleveland, Duluth, or some of the large ports in the lake than to navigate in these areas you have considered as restricted areas.

Mr. BOOTH: Mr. Chairman, I am not an expert. I am an airman rather than a marineman. I cannot answer that question.

Mr. ALLMARK: Now we are saying they must carry pilots through a restricted area, but at the same time say "if you are a foreign ship you can travel through the open waters of the lake and into the harbours" which are just as difficult to navigate in as the restricted area in which you say they must carry a pilot.

Mr. BOOTH: I misunderstood the earlier question. Under the provisions of the bill it is open to either side—that is Canada in Canadian waters and the United States in United States waters—to designate restricted waters. One of the earlier proposals which was put forward by the coast guard was that a lot of ports on the United States side be designated as restricted.

As I mentioned this morning, actually we have agreed on these three named areas which have been described as being restricted. We have agreed to consult in respect of the rest, because each recognizes the sovereign right of the other to say what is dangerous in its own waters and therefore ships must have pilots there; or to say that it is not. So I think it is unquestionable that in the busy ports there will be compulsory pilotage.

The CHAIRMAN: Would it not follow that each harbour would have its own regulation with regard to ships coming into its own harbour.

Mr. BOOTH: No, Mr. Chairman. On the United States side as well as on the Canadian side the whole of the authority in respect of pilotage is contained in these respective laws. I would think that if a particular harbour commission considers that their waters are so dangerous that there should be a compulsory requirement for pilotage, they would consult with the minister and, depending on the conclusions, a decision would be taken to designate that particular area. Similarly, if in the mind of the minister or the department a particular harbour required a pilot, then we would designate it ourselves.

Mr. FISHER: It does not have to be a bilateral decision for the harbour commission in the lakehead to convince the minister. There does not have to be any negotiations with the Americans on this.

Mr. BOOTH: No sir.

Mr. FISHER: But the harbour commission itself cannot make the decision.

Mr. BOOTH: That is true.

Mr. SMITH (*Simcoe North*): It is a fact, I believe, that the Americans do require pilots going into Chicago harbour.

Mr. BOOTH: Yes.

Mr. SMITH (*Simcoe North*): Toronto is our busiest harbour on the Great Lakes at this time.

Mr. BOOTH: I believe it is.

Mr. SMITH (*Simcoe North*): And we do not require pilotage into Toronto harbour.

Mr. BOOTH: As of now there is no requirement for pilotage anywhere in the Great Lakes west of St. Regis.

Mr. SMITH (*Simcoe North*): I was only making it specific, what I considered our busiest harbour was at this point.

Mr. BOOTH: Captain Slocombe says there is no law requiring pilotage in Chicago.

Captain SLOCOMBE: Our Canadian pilots have been going into Chicago for years.

Mr. SMITH (*Simcoe North*): As pilots; but foreign ships do not—or do they go in without pilots?

Captain SLOCOMBE: Some have.

Mr. FISHER: One of the difficulties that might be foreseen in the working of the bilateral side of this would be difficulties with Captain Rollo Johnson and his crew. Can you see anything in the American act that will guarantee to keep them well removed from relationships with Canadian pilots and Canadian officials?

Mr. BOOTH: That is a very loaded question, and I am sure it is not deliberately loaded. There is nothing we or the United States government is likely to be able to do in respect of the activities of labour organizations: there is nothing we can do because it is outside our territory; and there is nothing the United States government can do because they quite deliberately refrain from exercising compulsory powers and what-not in respect of the unions.

Mr. FISHER: The point that concerns me about the working of the bill—let me assume it goes through, and I cannot see any reason why it should be voted against—this seems to be the greatest area of probable weakness. I just wanted to get some kind of an insight into what your thinking on this was. For example this equitability is going to be watched very closely by that particular union. One of the things that bothers me about it is, because they are free and have never hesitated to take their case to the public, the

American congressmen and Senators; and Canadian pilots are no longer in that position. So you have a balance thrown that way which probably will result in certain distortion and pressure from the Americans in the future. I do not like to see us getting into it with one hand tied behind our back.

Mr. BOOTH: I am sure I cannot answer on that. But under the United States legislation the Secretary of Commerce is charged with the administration of the United States pilotage system. No pilot can operate under U.S. authority unless he is registered by the secretary of commerce; so that they have the means of controlling the numbers and, presumably, some means of selecting the pilots they wish to take on for this work. It would seem probable that much would depend on whether Mr. Johnson's people were in or out on that particular deal. If they were in, I would have no comments; I do not know. If they were not in, it would seem to me the general laws of the United States do certainly operate to keep them from acting contrary to U.S. law in its operation. Clearly, if they are not designated or registered by the Secretary of Commerce they have absolutely no rights of pilotage on those waters.

Mr. FISHER: Let us look at this problematical situation. I think it is quite likely to happen, and I am suggesting it to you. The American pilots, despite registration requirements, are organized in a union, with a right of calling a strike. Is that correct.

Mr. BOOTH: Yes.

Mr. FISHER: You can see the Canadian pilots, as civil servants of a kind, as prospective strike-breakers in any kind of breakdown of a unilateral arrangement. I just want to point out the danger of this to you and the difficult position it can put both our officials and our pilots in. I am not suggesting you would ever get anywhere with the Americans in getting them to turn their pilots into civil servants; but I just wanted this weakness of possible future dealings to be apparent.

Mr. SMITH (*Simcoe North*): Mr. Booth, is it not possible that the Americans may be required by the force of necessity to turn their pilots into a type of civil servant? Is that not a possibility?

Mr. BOOTH: It is possible, but in my talks with their people I have gained the impression—and it is a fairly firm one—that the last thing in the world they will do is: (a) take them on as civil servants, and (b) dictate to them how much money they are going to get. They will not undertake either of those.

Mr. FISHER: That is the impression I had reading the proceedings of their committees. As long as the Minister and the department are aware of this rather delicate, tenuous position, it means, I would suggest, that at all times we should have a smooth diplomat as our liaison official.

Mr. SMITH (*Simcoe North*): Under the American act the secretary has pretty wide powers—to fix rates, charges and terms of employment?

Mr. BOOTH: That does not include wages.

Mr. SMITH (*Simcoe North*): Would it not become a matter of the American government subsidizing the differential, if we would not go high enough to make it self-sufficient and they did not want to break the treaty?

Mr. FISHER: I can see one possibility, too, in that the American pilots would become bell-wethers in getting more money for Canadian pilots, if you are going to have equitable fees.

The VICE-CHAIRMAN: Shall section 375A, which is part of clause 2, carry?
Agreed to.

The VICE-CHAIRMAN: Now we come to section 375B, and probably we should ask Mr. Brisset to come forward.

Just a moment, gentlemen, Brigadier Booth has a minor amendment to section 375A.

Mr. BOOTH: Mr. Chairman, if I might explain, and perhaps apologize for not having had this material distributed earlier: I spent until one o'clock today with an official of the Department of Justice working over the points discussed today and preparing drafts. Unfortunately my stenographic staff was not adequate to get the material out in sufficient numbers for everyone. However, I have here about 15 copies of the proposed amendments.

The VICE-CHAIRMAN: That is sufficient.

Mr. FISHER: I would just like to make a request of Mr. Booth. I find this pilotage matter quite interesting in respect to the lakehead, and I was wondering if the minutes of these proceedings will be made available and sent to the members of the various harbour commissions along the lake. I think this would be a very worthwhile move, if sufficient copies could be obtained and sent to the harbour commissions.

Mr. BOOTH: I think that could be arranged, Mr. Chairman.

The CHAIRMAN: I think that might be arranged, Mr. Booth.

Mr. MCPHILLIPS: Mr. Chairman, as I view this document which has been placed before me, it is virtually a rewriting of all these clauses, not just one.

Mr. BOOTH: Mr. Chairman, if each member has a copy of this now I might just explain it.

It is true that there are a number of changes that we did not talk about this morning, but they are consequential upon the changes that were proposed, and in particular, the one which I believe was accepted in principle, that we should write into our act the same reciprocal provision that the Americans have. In other words, if they will not allow our people into their waters we will not allow theirs into our waters.

Mr. Chairman, I would like to deal with the first of these proposed amendments.

The CHAIRMAN: The first one is in respect of clause 2 of section 375 A.

Mr. BOOTH: Yes. This is the definition of a registered pilot which, in the printed form states that a registered pilot means a person not belonging to a ship who has the conduct thereof and who is registered as a pilot (i) by the secretary of commerce of the United States of America. After consultation with the officials of the Department of Justice, it was felt that the appropriate way in the Canadian statute to provide for this reciprocal provision was to deal with it through the powers of the governor in council to make regulations. We have a text which comes later on covering that.

This consequential addition to (c) (i) by adding the words "and authorized by the governor in council", is the reason for inserting it at that point.

Mr. MCPHILLIPS: While you are dealing with that point, are you suggesting in your suggested amendment here that the pilots would be approved by two authorities; the secretary of commerce of the United States of America and authorized by the governor general in council? That is a new thought, is it not? I thought a pilot approved by either one would be accepted?

Mr. BOOTH: Mr. Chairman the thought was in respect of section 375 (c), which is the authority for the governor general in council to make regulations, we would have general regulations which would specify the entitlement of those American registered pilots to operate, and would also spell this out.

Mr. SMITH (*Simcoe North*): On a point of order, Mr. Chairman. Mr. Booth has said that these amendments were drawn having regard to a con-

sensus that was established in the committee this morning. I think part of these amendments have not been drawn to the committee's attention. Certainly as far as I am concerned there was no consensus as to part of this. The discussion this morning, as I understood it, was that the committee generally accepted part 2 of Mr. Brisset's amendment, but there was no consensus that we were going to accept part 1 of his amendment; and yet the regulations which Mr. Booth has here certainly work on that assumption, because it does say here: "prescribing the qualifications for masters or other members of the regular complement of a vessel—". I am quite sure, speaking for myself, and from discussions with other members, we did not accept that proposition which Mr. Brisset made at all.

Mr. HEES: I might say here, Mr Chairman, that I instructed Mr. Booth to prepare these amendments in anticipation of the committee desiring that they be put into the bill. However, if this committee does not want these amendments put into the bill, then they will not go in.

Mr. MCPHILLIPS: Surely we can take one thing at a time.

Mr. SMITH (*Simcoe North*): We are only working on one thing at a time.

Mr. MCPHILLIPS: You are now considering something away down the page.

Mr. SMITH (*Simcoe North*): I beg your pardon. On a point of order again; but the words in subsection (a), which is what we are dealing with now, that relate to his proposed amendment are: "or other members of the regular complement of a vessel—". Now, if we are accepting that, presumably we are going to have to accept the other amendment that was suggested.

The CHAIRMAN: Where do you find those words in clause (2) of section 375 A?

Some Hon. MEMBER: Those words appear in section 375 B.

Mr. SMITH (*Simcoe North*): Those words appear on the first page of Mr. Booth's proposed draft in lines 2 and 3. This is the first amendment we are presumably dealing with, and it says:

delete subsection (c) and substitute the following: —(c) "prescribing the qualifications for masters or other members of the regular complement of a vessel"

and the words I take objection to at this stage are: "—or other members of the regular complement of a vessel—". This is obviously drafted on the basis that we will later on in the proceedings accept the proposition presented by the shipping federation of Canada in respect to section 375 B being amended as they require. I do not think there is any consensus that we are going to accept that amendment at all.

I am sorry; the sheets were given to me in the wrong order.

On a point of order: in any event, I would like to make it clear that there was no consensus in respect of all these amendments.

The CHAIRMAN: Yes.

Mr. SMITH (*Simcoe North*): I apologize, Mr. Chairman.

The CHAIRMAN: This is the one we are dealing with now. I was confused myself, Mr. Smith.

In respect of paragraph (c), section 375 A, the amendment suggested and now placed before you, reads:

delete s. sec. (c) and substitute (c) "registered pilot" means a person not belonging to a ship who has the conduct thereof and who is
(i) registered as a pilot by the secretary of commerce of the United States of America and authorized by the governor in council, or

- (ii) registered as a pilot pursuant to regulations made by the governor in council to navigate all or any of the waters of the Great Lakes basin.

Are there any questions with regard to that?

Mr. McPHILLIPS: Mr. Chairman in the first place, I do not like the words "conduct thereof". That may be a word peculiar to fresh water sailors, but in respect to salt water sailors the words should be "navigation thereof". The words "conduct thereof" might refer to some internal management of the ship. Surely the words should be "navigation thereof".

Mr. BOOTH: Mr. Chairman, there is a definition of a pilot contained in the Canada Shipping Act, which is in section 2, subsection 64 and which reads as follows: "pilot means any person not belonging to a ship who has conduct thereof".

Mr. McPHILLIPS: All right, that explains that portion.

We now come down to the other item which is quite contrary to the information I obtained from Mr. Booth this morning in respect to the fact that a registered pilot, whether he be approved by the secretary of commerce of the United States of America, or whether he be approved by our own authority, had equal rights in all these waters. The suggested amendment now is that he is to be approved by two authorities: by the secretary of commerce of the United States of America as well as being authorized by the governor general in council. That is a very different position.

Mr. BOOTH: Mr. Chairman, I would like to explain this. This is one of the points I understood the committee had decided to consider only in the event that they decided to put in the reciprocal provision which was proposed.

Mr. McPHILLIPS: Yes, but the reciprocal provision is simply that we recognize their pilots and they recognize our pilots. Here you are putting in a provision which says that a pilot must be approved by two authorities. That is a different proposition entirely.

The VICE-CHAIRMAN: Of course you have the word "or" in there. You see the word "or" is at the end of the first paragraph, Mr. McPhillips.

Mr. BROWNE (*Vancouver-Kingsway*): Mr. Chairman, I do not see any clause in here mentioning reciprocal rights. Is this clause intended to give the Canadian government the power to stop American products coming in here, provided the United States do not live up to the regulations? Is that the intention of this clause?

Mr. BOOTH: It was pointed out this morning that the Americans have, in their bill, a provision which says that they will accord this to Canadian pilots only as long as Canada does the same for them.

A suggestion was made that we should have, in our bill, a provision, with a similar effect and this, coupled with a later amendment, would achieve that.

I do not believe the committee has decided on the principle yet, and until the principle has been decided there is no question of making this change, which is set out on this piece of paper.

Mr. BROWNE (*Vancouver-Kingsway*): It seems to me that we are going to an awful lot of trouble in this. All we wanted were a few words—and in the words of the American act, it sets out very clearly that this will be in effect only so long as Canada extends reciprocity to the United States.

The VICE-CHAIRMAN: Could we not add that in some place as we go along?

Supposing we go back to the original bill, and consider that. We are still at 375A, paragraph (a). Shall this paragraph carry?

Paragraph (a), 375A, agreed to.

Paragraph (b), 375A, agreed to.

Paragraph (c), 375A, agreed to.

The VICE-CHAIRMAN: Now, gentlemen, we come to 375B; then we have (1), and it is divided into (a) and (b).

Shall paragraph (1) (a) carry?

Paragraph (1) (a), 375B agreed to.

The VICE-CHAIRMAN: Shall paragraph (1) (b) carry?

Mr. SMITH (*Simcoe North*): No.

The VICE-CHAIRMAN: Is this where you wish to have the amendment? If so, we will have Mr. Brisset speak to this.

Could you explain that, Mr. Brisset?

Mr. BRISSET: Mr. Chairman, I have been listening to the discussion this afternoon and this morning, after I came off the stand. If you will allow me a few minutes, I think I can contribute to this by clarifying some aspects of the matter which I think are a bit confusing. With all due respect to the members of the committee I think, perhaps, the policy behind this legislation has been lost sight of, and I would like—

Mr. SMITH (*Simcoe North*): I would not assume too much.

Mr. BRISSET: No.

We have been working on this for years. It is a complex problem and, at times, it is necessary, even for us to remind ourselves of what is behind this legislation.

I will start by saying this: this morning there was a question of exemptions of certain vessels from the application of the act, and we were told that Canadian lake vessels and American lake vessels that had been trading in the lakes for years would be exempted. Of course, speaking for the ocean shipping industry, we have no objection to that. We recognize that the masters and the mates of these vessels, who have traded for years in these waters, are well qualified to take them in. However, we want to make the point that ocean ships do need pilots in the restricted water of the Great Lakes, and they are not seeking, and have not sought, any exemption from pilotage.

We were told also, if I remember correctly, that for five years pilotage problems—

Mr. SMITH (*Simcoe North*): They never have sought exemptions from pilotage in the Great Lakes?

Mr. BRISSET: No.

Mr. SMITH (*Simcoe North*): Never, at any time?

Mr. BRISSET: No—in the restricted waters.

Mr. SMITH (*Simcoe North*): But, generally speaking—generally.

Mr. BRISSET: I said in the restricted waters, where pilotage services are required.

Well, to make my point, for five years we have been told the two governments have discussed problems of pilotage in the Great Lakes. The ocean shipping industry could not wait until action was taken by the two governments to provide efficient pilotage services there, and the shipping federation for the ocean shipping industry started to organize pilotage many years ago—first of all, in the Montreal-Kingston district, in the early fifties, the shipping federation organized a service of pilotage and trained pilots for that district. Ocean ships used those pilots until such time as the Canadian government took the district over from the shipping federation. From then on ocean ships continued to use the pilots who are under the jurisdiction of the government.

In 1958, realizing that, with the advent of the seaway and the considerable influx of ocean ships of all sizes, pilotage services would be required in the

narrow waters of the Welland Canal, the Detroit river, St. Clair Lake and St. Clair river, the federation established pilotage services therein, using the best pilotage material it could get, both American and Canadian. The pilots would board a boat here at Port Weller, pilot it through the canal, rest during the passage of the open waters of Lake Erie, and take over again from Southeast Shoal, through the narrow waters of the Detroit river, St. Clair Lake and St. Clair river.

That organization, which was established in 1958, was taken over by the Canadian government in 1959, and has been operated by the government ever since.

Ocean ships had used—

Mr. SMITH (*Simcoe North*): Would it not be more correct to say the personnel were taken over, rather than the organization?

Mr. BRISSET: You have to look at it as an organization, in the sense that you have to provide dispatchers, boat services and so on—the whole set-up.

Mr. SMITH (*Simcoe North*): I will not quibble on that term.

Mr. BRISSET: The whole set-up was turned over, and ocean ships have been using these pilots, even though there is no compulsion at the moment. They have been using them regularly, because it is admitted they are needed.

Again, in 1959, with the opening of the seaway, there was a great influx of vessels in Lake Superior, Duluth, Fort William at the head of the lakes, and it was realized there had to be pilotage services in the St. Mary's river and the canal.

Mr. SMITH (*Simcoe North*): Who realized this?

Mr. BRISSET: The shipping industry itself.

Mr. SMITH (*Simcoe North*): I do not like to interrupt you, but I get a little confused, because I heard the senate hearings last year, and I have read a considerable amount of the evidence before the United States committees, and it sometimes sounds as though I was hearing two different people.

Mr. BRISSET: When I say "it was realized", it was realized by the ocean industry using these waterways that pilotage was required in those restricted areas, and the shipping federation, on behalf of the ocean industry did organize pilotage services in this area of the St. Mary's river. To do that, they sponsored the formation of a pilots association which is called the Lake Superior pilots association. This association, at the moment, is made up of American pilots, and these pilots have been serving the ocean ships within their district.

Now, along the way up the lakes there are, of course, ports where the ships call and where, at times, pilots are required.

Now, this pilotage service in various ports is already organized in order to serve the vessels that need it. And in Toronto—perhaps Captain Matheson would check me on this—there were one or two pilots.

Captain MATHESON: There was one.

Mr. BRISSET: Yes, one pilot has been stationed there offering his services to ocean vessels wanting to enter the harbour.

In the port of Hamilton, an organization was also set up, and that port is served by pilots of the Hamilton harbour commission, and they go aboard ocean ships which wish to enter the port, and serve on the ship.

In the port of Duluth the Lake Superior pilots association have been posting men at the port of Duluth, and these pilots are serving the ships going there; and the same thing applies at Fort William.

Now in regard to all of the ports on lake Erie and the Detroit river, the pilot of the Port Weller-Sarnia district, who is aboard from Port Weller, will furnish his assistance as pilot when the ship wishes to call at one of the ports

within that area. So there is already a nucleus of a pilotage organization where pilots are required over the whole Great Lakes area.

Now, in all these restricted waters the shipping federation has recognized the necessity of pilotage. However it has always taken the stand that in the open waters, it was not necessary for pilots to be on board, because you do not have pilotage problems on the open lake. You have navigational problems.

This led to many discussions with government authorities, and the federation conceded that to permit masters of ocean going vessels, be they foreign, Canadian or American, to navigate alone, they would have to meet certain minimum requirements.

Now, if they do meet these minimum requirements, they will come under the legislation which is now before you. And I quote the hon. the minister's remarks in his address to the house on the second reading:

They will be given great lakes open water navigation certificates.

In other words, I take it that the certificate will show that they have been examined and have been found competent as meeting the additional requirements that are necessary on the lakes.

Mr. HEES: May I ask the hon. gentleman a question? This is all very interesting, but after all, this is a government bill, and he is not required to explain the purpose behind it. We are the ones to explain the purpose behind it, because it is our bill.

The hon. gentleman is giving the background and history, which is all very interesting; but he could get ahead a lot faster if he dealt with the amendments which he suggests, and did not go into the past history, because that has already been done; it was pretty well covered by Mr. Booth and the other people who have appeared here.

Mr. BRISSET: I am through, sir.

The VICE-CHAIRMAN: All right. Please get to your point.

Mr. BRISSET: Now, if the foreign going master, or any officer on board ship does not have the requirements spoken of, then the ship must take a pilot through the open waters.

Now, who should that pilot be? Under the text of the act, I refer to section 375-B, section 1, paragraph (b), which reads as follows:

(b) in waters of the great lakes basin other than designated waters, unless the vessel has on board

(i) a registered pilot,

(ii) an officer having the qualifications prescribed by the governor in council, or

(iii) a person holding a pilot's licence to navigate those waters issued by the government of the United States.

I draw your attention to paragraph (iii) particularly, which we find objectionable.

I explained this morning that there were thousands of seamen in the United States who held pilots licences issued by the coast guard.

Mr. SMITH (*Simcoe North*): That does not pertain to this, because those licences are not applicable under this act.

Mr. BRISSET: No, but we do not want it, when a ship does qualify, to have any Tom, Dick or Harry offering his services as pilot. We want, in that case, to have registered pilots; that is, pilots who have been appointed by either government.

There will be a pool of such pilots, and it will be for their own protection. We think they should be the ones to be used when the personnel of the ship do not qualify.

Mr. SMITH (*Simcoe North*): Is that not what this act provides? It says that they shall have a registered pilot or an officer.

Mr. BRISSET: That is right, or a person holding a coast guard pilot's licence. But you are cutting the throats of your registered pilots there.

Mr. SMITH (*Simcoe North*): Where is that?

Mr. BRISSET: I am reading from (b).

Mr. SMITH (*Simcoe North*): Where do you see registered pilots? A registered pilot is a pilot who is registered under this act.

Mr. BRISSET: That is correct.

Mr. SMITH (*Simcoe North*): And according to subsection (iii) a pilot registered under the comparable United States act.

Mr. BRISSET: That is correct.

Mr. SMITH (*Simcoe North*): Where do you get these cadet pilots? Where can you read into the act that these cadet pilots would be qualified to pilot a ship in Canada?

Mr. BRISSET: In subsection (iii), or to start with (b).

. . . . waters of the great lakes basin other than designated waters, unless the vessel has on board,

Other than open waters, that is, the vessel shall not be entitled to be operated unless the vessel has on board,

(i) a registered pilot.

We are quite in agreement with that. That is what we recommend. Or,

(ii) an officer having the qualifications prescribed by the governor in council.

Mr. SMITH (*Simcoe North*): Do you object to that?

Mr. BRISSET: We do not object to it in the sense in which I think it is meant. If one of the officers of the ship qualifies to get the certificate which I mentioned earlier, the ship is all right. But let us assume that the officer does not qualify.

Mr. SMITH (*Simcoe North*): We came to that part a moment ago, and I would like to ask a few questions about the proposed amendment. It says here:

(ii) an officer having the qualifications prescribed by the governor in council, or

(iii) a person holding a pilot's licence to navigate those waters issued by the government of the United States.

Mr. McPHILLIPS: Is that the only amendment?

Mr. SMITH (*Simcoe North*): That is right.

Mr. McPHILLIPS: It could be the cook, and I cannot agree with it.

Mr. SMITH (*Simcoe North*): Presumably the qualification for open water navigation on the great lakes is a knowledge of English, rules of the road, great lakes, and operation of a radio telephone. Is that not right?

Mr. BRISSET: No sir. To qualify for that certificate—I do not wish to speak for the government—but the act says the qualifications are prescribed by the governor in council, and one of the qualifications undoubtedly would be that this person will have a master's licence.

Mr. SMITH (*Simcoe North*): No.

Mr. BROWNE (*Vancouver-Kingsway*): Perhaps Mr. Booth could give us the information.

Mr. SMITH (*Simcoe North*): I would like to get the meaning of this proposed amendment from Mr. Brisset, who is an experienced marine lawyer who has appeared before committees many times. I think he should explain the

principle of this proposed amendment "An officer or any other member of the regular complement of the vessel having the qualifications prescribed by the governor in council. . . ."

Now, the main qualifications, as I have always understood it from our discussion of them, consist of a knowledge of the rules of the road, Great Lakes, a knowledge of English, and a knowledge of the use of the radio telephone.

Now, it seems to me that if we were to accept Mr. Brisset's proposed amendment, even if the ship's cook, or one of the firemen had a knowledge of English, and knew the rules of the road, and the use of the radio telephone, he could get a certificate and go through the Great Lakes.

I think from my point of view that 375-B should be amended further, but not in the way of Mr. Brisset's proposed amendment, which waters it down; but I think 375B (1) (b) (ii), inserted after "an" and before "officer" should be the word "deck".

I am not completely familiar with marine terminology; but I am not quite as unfamiliar as might be supposed. If a vessel is in the Great Lakes, I think it should have one of its deck officers who has a licence, who knows English, and who understands the rules of the road.

Assume for a minute that there was an engineer officer, and the boilers happened to be leaking, or there was something wrong, and he was required below decks: who, then, is going to use the radio-telephone? I think it should be "deck officer".

MR. BRISSET: May I draw your attention to what the minister said in the house on second reading, when he stated what would be the qualifications. The first one—and we agree with it—and the essential one, is:

Possession of a master's certificate of competency valid for voyages in any part of the world.

MR. SMITH (*Simcoe North*): And you are suggesting the amendment is not necessary: you just say "any other member of the regular complement"?

MR. BRISSET: You may have a first officer who has a master's certificate of competency valid for voyages in any part of the world.

MR. SMITH (*Simcoe North*): Then why not say "any officer"; but you say that any other member of the crew is an officer?

MR. BRISSET: I am not wedded to the exact wording that I quoted in my suggested amendment. Actually, why I was using that wording is that exactly the same wording is used in the American act, where they define an officer in this way—and I refer to subsection (e) of section 2 of the American bill.

MR. SMITH (*Simcoe North*): That is the interpretation section, though; it is not an operative section of the bill, is it?

MR. BRISSET: It defines a word that is used in the operative section.

MR. SMITH (*Simcoe North*): It is the interpretation section of the bill, though?

MR. BRISSET: Yes; but if you will permit me, I will read the substantive section of the bill relating to not designated waters or open waters; and it reads this way.

MR. McPHILLIPS: What section are you now dealing with?

MR. BRISSET: Subsection (b) of section 3:

(b) In those United States waters of the Great Lakes which are not designated by the President in accordance with paragraph (a) of this section, there shall be on board registered vessels of the United States and foreign vessels, a United States registered pilot or Canadian

registered pilot or other officer qualified for the waters concerned who shall be available to direct the navigation of the vessel in such undesignated waters—

Mr. SMITH (*Simcoe North*): So you do not use the exact words: you left out “other officer”.

Mr. BRISSET: Permit me to refer to the definition of the words “other officer” contained in the substantive section. I refer you now to section 2, subsection (e):

(e) “other officer” means the master or any other member of the regular complement of the vessel concerned who is qualified for the navigation of the Great Lakes waters described in section 3(b) of this act and who is either licensed by the head of the department in which the Coast Guard is operating under regulations issued by him or certificated by an appropriate agency of Canada.

Mr. SMITH (*Simcoe North*): To make it meaningful, where in the Canadian act is there a similar interpretation of “officer” as you have just read—because if it does not relate, or if the meanings are not the same in the different sections, then the amendments do not have the same purport.

Mr. BRISSET: In my suggested amendments on subsection 2(i) I was saying, “an officer or any other member of the regular complement of the vessel having the qualifications prescribed by the governor in council, or holding a pilot’s licence”.

Read with, I would humbly suggest, the definition in subsection 2 (e), “other officer” means the master or.....

Mr. SMITH (*Simcoe North*): Where are you reading from now—the American bill?

Mr. BRISSET: The American bill.

Mr. SMITH (*Simcoe North*): But relate your meanings, please, to the Canadian bill and the Canadian act—because, after all, they are only complementary acts. Where, in the Canadian act, would “other officer” be limited to a person with master’s qualifications?

The VICE-CHAIRMAN: Could we not just change that to, “master or any other officer of the vessel”?

Mr. SMITH (*Simcoe North*): I do not think we should change it at all.

Mr. KEAYS: I would suggest that we leave it as is, Mr. Chairman. The qualifications still rest with the governor in council.

Mr. BRISSET: Definitely.

Mr. SMITH (*Simcoe North*): Then why bring in additional words that really do not mean any more?

Mr. BRISSET: The real crux of the matter—

The VICE-CHAIRMAN: Will you excuse me, Mr. Brisset. Brigadier Booth is going to read the proposed qualifications.

Mr. MCPHILLIPS: That misses the whole point. The whole point is this, that on board a ship, in order to preserve discipline, you must have an officer do these things. It may be that the ship’s cook might be better qualified than an officer; but he has not the right to enforce discipline. This is what we object to; is that not right?

Mr. SMITH (*Simcoe North*): That is exactly the basis of our objection.

The VICE-CHAIRMAN: Let us go back to the main bill, gentlemen. We have discussed the amendments suggested by Mr. Brisset. What is the feeling of the committee with regard to the main bill that we have here?

Mr. McPHILLIPS: Let us leave it as it is.

The VICE-CHAIRMAN: 375B (1) (b). What is the feeling with regard to—

Mr. BROWNE (*Vancouver-Kingsway*): I would like some clarification, Mr. Chairman. It seems to me that these acts are to be complementary and are intended to work in the same manner on both sides. We have had it pointed out to us that there are certain provisions made under this American act, and it does not seem right to me if there is a difference here, and something different is being done on the other side. I think we need a clearer explanation of this than we have had so far.

It has been pointed out to us that under the American act, the wording appears to me to be the same as has been proposed by Mr. Brisset here—as contained in the American act—and I would like some explanation from the officials to clarify this.

Mr. BRISSET: Would it be in order for me to add a word here, Mr. Chairman? I think we have misunderstood each other.

The VICE-CHAIRMAN: Very well.

Mr. BRISSET: I realize now that we have perhaps misunderstood each other. The crux of my amendment has nothing to do with a member of the crew. What I am driving at is that nobody else but somebody on the ship, the master—I am quite agreeable to the master, or an officer—should be qualified to navigate in the open waters. You should not qualify somebody who comes from ashore unless he be a registered pilot; in other words, one selected by the government on certain standards of competency—and not, as I said before, any Tom, Dick or Harry who may hold a Coast Guard licence as a pilot. That is what I am driving at.

Mr. SMITH (*Simcoe North*): Is your purpose, then, in this amendment, that you want to come back to the original system? I was a little confused by the historical sequence of things.

You have suggested that you want to have your own shipping masters again; is that right?

Mr. BRISSET: No, not at all. I say that in open waters the masters, or officers—let us use these words—should be able to qualify to navigate, if they meet certain requirements. If they do not meet certain requirements, then the ships must take a registered pilot, and not anybody that may come along. That is what we are driving at.

Mr. HEES: That is what we say.

Mr. SMITH (*Simcoe North*): That is what we are driving at too. We think we have it.

Mr. BRISSET: Not in subsection (iii), because subsection (iii) says this:

A person holding a pilot's licence to navigate those waters issued by the government of the United States—
may be on board.

Mr. SMITH (*Simcoe North*): Would it not have been simple, if that is the purpose, as you say, simply to ask for an amendment to subsection (iii) there and say "a United States registered pilot"? Would that not have cleared it up?

If your purpose was, as is stated, that you do not want any incompetent pilots, would that not have cleared it up? We have a registered pilot under our act in (1); and then we would have a United States pilot under (iii).

Mr. BRISSET: That is an excellent suggestion. I think I have made my point understood. I am sorry that I did not get to it earlier.

Mr. SMITH (*Simcoe North*): I think somebody else has made it for you, perhaps; but we will not quibble over that.

The VICE-CHAIRMAN: What do you suggest now on No. 3?

Mr. SMITH (*Simcoe North*): I do not know what Mr. Booth says to that. I have not agreed, or otherwise. But Mr. Brisset's suggestion is that subsection (iii) might be amended to say, "a United States registered pilot", in place of the words that are there now. I am not proposing or disposing; I am just trying to bring this argument to a resolution.

Mr. BOOTH: Mr. Chairman, "registered pilot" is defined in the previous section, subsection (c) at the top of page 2. It means either:

— a person not belonging to a ship who has the conduct thereof and who is registered as a pilot

(i) by the secretary of commerce of the United States of America, or

(ii) pursuant to regulations made by the government in council.

Those are our registered pilots, and we dealt with them. When we talk in 375B (1) (b) (i) of "a registered pilot", that means either a United States or a Canadian registered pilot.

Mr. MCPHILLIPS: We know that; but we are beyond that now.

Mr. BOOTH: Now we are talking about open water pilotage; and Mr. Brisset's suggestion is that we impose on the United States a higher standard of qualification than we have both agreed to, and higher than that which it is proposed we adopt ourselves. It would throw the thing out of balance.

Mr. SMITH (*Simcoe North*): Persons who are licensed to navigate those waters.

Mr. HEES: The equivalent of our open waters certificate.

Mr. SMITH (*Simcoe North*): Yes. But their bill does not provide for such a certificate.

Mr. BRISSET: For the open waters certain ships will undoubtedly require outside assistance. There will be built we assume—and that is what we recommend—a pool of pilots ready to serve those vessels.

Mr. SMITH (*Simcoe North*): Sailing masters.

Mr. BRISSET: Call them what you wish to call them. We want to draw from that pool for the cases where they will be needed—

Mr. SMITH (*Simcoe North*): Rather than draw from our registered pools; is that not correct?

Mr. Brisset: No, from the registered pilots. That pool will be all the registered pilots for the open waters; that is what we are advocating. We do not want, in the open waters, to have to take anybody that comes along—because what would be the purpose of forming a pool of pilots for the open waters, if they are not the only ones used in these waters if anybody can come in and say, "I can pilot too"?

The VICE-CHAIRMAN: Probably Mr. Booth can explain that more clearly.

Mr. BOOTH: Mr. Chairman, the intention is this. In respect to the open waters, it has now been recognized both by the United States and ourselves that some measure of competency in those waters is required; and the minister listed those—knowledge of the rules of the road, English language, and so on.

Canada has agreed that on our side we will certificate a ship's officer, provided he has these minimum qualifications. All he is doing is operating in open waters that are very much broader than most of the narrow seas that he goes through without any of this kind of thing. That is the intention on this side.

Admiral Richmond has said he has no intention of creating a new type of licence or a second class certificate. American ships have their own pilots on

board and they will be entitled to operate with their ships officers upon the undesignated waters, because they are qualified to do so. The Americans could not care less what happens to foreign ships who find themselves without an officer who is qualified to operate in these waters. In those cases these foreign ships will have to take on board a registered pilot. This is the case too in respect of Canada. If a ship's officer cannot qualify, then they must have a regular pilot on board for the trip.

Mr. MONTEITH (*Verdun*): Mr. Chairman, it says here "—having the qualifications prescribed by the governor in council—". Would it not be possible for a ship's master to take on a freelance pilot who possessed these qualifications but was not a member of the crew, just for the purposes of making the trip?

Mr. HEES: We do not intend to have two grades of pilots in Canada. There will be registered pilots and that is all. If a ship does not possess an officer who has these simple qualifications, which have been dealt with—knowledge of the rules of the road, the English language, and the use of radio telephone—then that ship must take on a registered pilot. We have no second grade pilots in Canada.

Mr. BROWNE (*Vancouver-Kingsway*): Would that also apply to open waters on the Canadian side?

Mr. HEES: Yes, these are our regulations.

Mr. BROWNE (*Vancouver-Kingsway*): Are the regulations applying to open waters on the American side the same?

Mr. HEES: Yes, they are the same.

Mr. McPHILLIPS: Mr. Chairman, I would move that section 375B (2) be carried without amendment.

The CHAIRMAN: Is there a seconder to that motion?

Mr. SMITH (*Lincoln*): I will second that motion.

The CHAIRMAN: It has been moved by Mr. McPhillips seconded by Mr. Smith that section 375B (1) be carried. All those in favour?

I declare the motion carried.

We now come to a consideration of section 375 B (2). Is there any discussion in regard to this section?

Mr. ALLMARK: Section 375 B (2) says:

The minister may, upon such terms and conditions as he deems advisable, exempt any owner or master from the requirements of subsection (1).

Mr. HEES: Yes, this covers Great Lakes ships.

Mr. ALLMARK: This covers Great Lakes ships?

Mr. HEES: Yes.

Mr. ALLMARK: An American owner of a foreign ship is not covered by this?

Mr. HEES: This subsection covers Great Lakes ships, either American or Canadian. A ship that plies the Great Lakes and only goes out of the Great Lakes, for instance possibly to the St. Lawrence ports or the maritime ports, is exempt.

Mr. ALLMARK: In other words neither a Canadian or an American owner can bring in a ship of a foreign country because of the fact that he owns the ship?

Mr. HEES: That is correct.

Mr. SMITH (*Simcoe North*): Would it be the intention of the government to exempt a vessel of the United Kingdom doing coastal trade on the Great Lakes?

Mr. BOOTH: Mr. Chairman, perhaps I could answer that question. We can do this in Canadian waters only.

Mr. SMITH (*Simcoe North*): But would it be the intention of the government to do so?

Mr. BOOTH: No, definitely not, because it would be contrary to the spirit of our agreement under which the Americans exempt our ships and we exempt theirs.

Mr. SMITH (*Simcoe North*): This would apply to a Greek ship as well, but perhaps mainly United Kingdom ships.

Mr. KEAYS: Mr. Chairman, are we considering 375 B (1)?

The VICE-CHAIRMAN: No, we passed that section. Mr. McPhillips moved, seconded by Mr. Smith, that we carry section 375 B (1) without amendment.

Mr. HEES: Is there any question you would like to ask in regard to that? We would be pleased to answer if we can.

Mr. THOMPSON: I have one question I would like to ask in regard to (iii). The person who holds a pilot's licence issued by the government of the United States would then have a pilot's licence issued by the United States. Would that be an ordinary pilot's licence, or what qualifications would such an individual have to have? Would he have the same qualifications as those which are prescribed by the governor in council?

Mr. BOOTH: Mr. Chairman, I think perhaps Captain Slocombe can answer that matter with more certainty than I can.

Captain SLOCOMBE: Mr. Chairman, the United States pilot licences are equivalent to our mates' certificates with an added pilotage section. An individual must pass the ordinary navigation requirements and also has to memorize courses and distances on the Great Lakes in the particular waters for which he was licensed. So, a pilot's licence issued by the United States is equivalent to anything that we would require.

Mr. THOMPSON: Then this would be included under sub paragraph (ii)?

Mr. HEES: Yes.

Captain SLOCOMBE: Yes. An individual would be required to make a number of trips, but that differs in different places.

Mr. BOURQUE: Mr. Chairman, it says here: "—issued by the government of the United States". Must a Canadian pilot have a licence issued by the United States, or can a licence be issued in Canada entitling a pilot to operate in these waters? Do we have a reciprocating arrangement so that a pilot licensed in Canada may operate in United States waters, and a United States pilot may operate in Canadian waters?

Mr. BOOTH: This agreement is completely reciprocal. The United States recognizes the Canadian certificate and we recognize the American certificate.

The CHAIRMAN: Mr. Gelinas suggested this morning that there might be some change in 375 B (2).

Mr. BOOTH: Mr. Chairman, again on the basis that if the committee wish to see what this looks like we have prepared, on this separate sheet of paper, a draft text which would spell out the exemption of Great Lakes vessels both United States and Canadian, which it was intended originally would be done by the minister pursuant to the present subsection (2).

Mr. MCPHILLIPS: This suggested amendment removes from the minister the discretion and puts in a code of exemptions?

Mr. BOOTH: Mr. Chairman, we did not intend to take this away from the minister's discretion. Because this relates to one substantial and important significant exemption i.e. "all lake vessels"—we thought we would put that in

in the words that are shown here; and additionally, we would leave with the minister the power to exempt such vessels as government ships. This would permit him to exempt both United States government ships and our own, such as U.S. Coast Guards', and the like.

Mr. McPHILLIPS: That is not what you say here, you see. What you say here, if I read this correctly, is that you want to insert a new subsection (2) with no reference to the minister at all, but giving a code of exemptions.

Mr. BOOTH: Subsection (2) deals solely with Great Lakes vessels both American and Canadian.

Mr. McPHILLIPS: Yes.

Mr. BOOTH: In addition we propose to maintain under (3) the minister's power to exempt, and the purpose of leaving that there is because of the odds and ends such as government ships which, but for the power of the exemption residing in somebody, would have to take on pilots.

Mr. McPHILLIPS: Mr. Chairman, I cannot agree with that proposal. You cannot take that academically and simply say, because a Canadian or United States outfit is running ships on the Great Lakes, therefore they are exempt. They might be very sloppily run and you could not exempt them. The way this reads now, the minister has the discretion to exempt those ships he feels are properly run. That is the way it should be done. If you open this up and simply exempt everybody that is operating on the Great Lakes, you would not know what you were doing.

Mr. BOOTH: Mr. Chairman, may I explain that this is written in in so many words into the United States bill which has now become law. It was the subject of agreement between the two countries, and I think experience has shown over the years that these lakers are very carefully operated.

Mr. McPHILLIPS: Some of them may be, but some of them may not be.

Mr. BOOTH: In any event, sir, I would point out that we have agreed with the Americans that as of now there is no requirement for pilotage on lakers on the Great Lakes.

Mr. McPHILLIPS: If that was agreed, why in the world was this bill drawn in this form?

Mr. BOOTH: Mr. Chairman, I did explain that this morning. I pointed out that in the original American bill the provision was that the President would have the authority to make all exemptions. It was only when their bill got into, I think it was the committee of the senate, that they decided to write into the bill the wording which we have got here, and which I read this morning, sir, and by that time our draft had been completed.

Mr. SMITH (*Simcoe North*): I am not so sure that there is any great advantage in making this amendment.

Mr. BOOTH: We are not sponsoring it, sir. The objection has been raised and this is what it would look like if the committee decided to do this.

Mr. HEES: I am perfectly happy to leave this as it is, if the committee agrees to do so.

Mr. GELINAS: I raised the objection this morning, and I am still not too happy with the amendment as it is proposed now.

In the American bill, there was an amendment made by the senate which excluded lake ships, but the exclusion is left to the minister in this act. This does not give the President of the United States or anybody else the right to exempt any ship he wants to. The act states specifically which ships he would exempt. I would much prefer to see it stated in the Canadian act the same way as it is in the United States act.

The next amendment which is given here applies to ships of Canada or of the United States in respect of the operations on the Great Lakes. This it seems to me would practically cover the same things as in the American act. What is now the power given to the minister by subsection (2) is an addition. That is the point to which we took objection this morning—that is it gives the minister the power to exempt any ship at all that may come along if it is felt this should be done. If the act states specifically which ships are exempt, then we know exactly where we are as far as pilots are concerned. I think the shipping act also provides that government ships are exempted from pilotage.

Mr. SMITH (*Simcoe North*): Of course, Mr. Gélinas, this is the section, is it not, where in times past labour disputes have occurred where there has been, we will say a strike, or a sympathy strike by pilots with longshoremen, where the pilots refused to cross picket lines, and vessels were tied up? Is this not what is in the back of the minds of the unions and the pilots when they ask for this amendment?

Mr. GÉLINAS: I think subsection (3) provides for that. It provides that if a vessel is in distress, or if there is no pilot available, the minister can authorize a master or someone else to run the ship.

Mr. SMITH (*Simcoe North*): You are right.

Mr. HEES: Mr. Chairman, I am perfectly willing to accept the amendment here which has been proposed. I can see why the pilots would prefer this amendment. It ties me or any future minister down pretty tight as to what can be exempted. I am perfectly happy to be so tied if the members of this committee are in agreement.

Mr. MCPHILLIPS: Mr. Chairman, I would point out to the minister that this is not a question of tying him down, but it goes further than that and relieves him of any say in the matter at all. This simply says that any vessel in Canada or the United States is exempt.

Mr. HEES: That is right. That is the agreement we have arrived at with them. They have agreed to exempt our ships and we have agreed to exempt their ships which come under this category;

Whose operations are upon the Great Lakes or between ports in the Great Lakes and the St. Lawrence river; or whose operations are primarily as described in paragraph (a) and that makes occasional voyages to ports in the maritime provinces of Canada.

In other words, those ships never use a pilot because they have masters who, in order to become masters, have to be proficient in sailing the Great Lakes. The Americans say they are perfectly willing to carry on with the exemption of those ships.

Mr. MCPHILLIPS: I take it that means provided they are properly run. The way this reads now I could own any kind of old bird cage weighing more than 250 tons and run it as I saw fit on the Great Lakes, to the peril of everyone else.

Mr. HEES: In all good sense, Mr. Chairman, if a ship was being operated to the detriment of life and limb and property, if it was an American ship, we would complain to the Americans right away, and, if it was one of ours, they would complain to us.

If a master is to receive his master's certificate, he must have satisfied the authorities of either country that he can navigate in those waters.

I think it is a fair amendment.

The VICE-CHAIRMAN: This amendment.

Mr. HEES: New subsection (2).

The VICE-CHAIRMAN: New subsection (2).

Mr. BROWNE (*Vancouver-Kingsway*): Do I understand that this removes the present subsection (2) entirely?

Mr. HEES: Yes, and substitutes this for it.

Mr. McPHILLIPS: Then, you have no say.

Mr. HEES: I am perfectly happy, and I think that this is completely fair.

The VICE-CHAIRMAN: Is that agreeable, gentlemen?

Some Hon. MEMBERS: Agreed.

Mr. BOOTH: Mr. Chairman, may I point out that the proposal which is envisaged in my draft is that we would still retain with the minister the right to grant exemptions to take care of special cases—and the one special case I mentioned is government ships. Now, under United States law, they are exempt elsewhere, or by means other than their particular bill. But, they are definitely exempt, and they have asked us for assurance that United States government ships, where appropriate, will be exempt—for instance, the coast guard, who are operating in these waters; they are not lakers but, at the same time, they are in the waters and they are entitled to exemption. And there are Canadian government ships which will be going in. We want to reserve to the minister the right of exemption which, obviously, would be exercised only in those very special cases.

Mr. McPHILLIPS: Then, in view of that statement, we should let the minister's discretion stand there, and then add to it these arbitrary things because, once you remove the minister's discretion, you cannot even cover the instances you mentioned.

Mr. BOOTH: Yes.

Mr. McPHILLIPS: And add, instead of deleting, the present (2), subsection so and so.

The VICE-CHAIRMAN: After the word "subsection", where it gives (1), put this in.

Mr. McPHILLIPS: Yes.

The VICE-CHAIRMAN: This will come in here after the words "subsection (1)", there. Is that agreeable?

Mr. McPHILLIPS: How about reading it out, so we know what is going on.

The VICE-CHAIRMAN: No. (2) will read like this—and, that is, No. (2) of 375B—exceptions by minister:

The minister may, upon such terms and conditions as he deems advisable, exempt any owner or master from the requirements of subsection (1).

Subsection (1) does not apply to a vessel registered in Canada or the United States.

- (a) whose operations are upon the Great Lakes or between ports in the Great Lakes and the St. Lawrence river; or
- (b) whose operations are primarily as described in paragraph (a) and that makes occasional voyages to ports in the maritime provinces of Canada.

Is that agreeable?

Some Hon. MEMBERS: Agreed.

The VICE-CHAIRMAN: Now, we come to 375B (3)—occasions in which non-qualified persons may act in Great Lakes basin.

Does that item carry?

Mr. McPHILLIPS: Just before it carries there is one thing in (a) of what, to me, seems very clumsy—and it is where it says:

the master has been informed by the deputy Minister of Transport that a registered pilot is not available.

Now, surely he does not have to go up the line all the way to the deputy minister. Would it not be better to say the master has been informed by an official of the Department of Transport having authority—or something like that?

Mr. BOOTH: I am assured that this is the appropriate way to do it. Obviously, it will be by a delegation, which will be given in advance, so the effect is there.

Mr. McPHILLIPS: You are making the deputy minister—if I may use a legal term—*persona designata*; you are saying he has to be informed by the deputy minister.

Mr. HEES: But, I delegate all sorts of authority, in a great many cases, to people under the deputy minister, who then have the right to act for the deputy minister. I am advised this is simply the legal way to do it. All authority comes from the deputy minister, as delegated by me to him, to some lower official.

The VICE-CHAIRMAN: Is that agreeable?

Mr. McPHILLIPS: I suppose; but it looks odd to me.

Some HON. MEMBERS: Agreed to.

The VICE-CHAIRMAN: Shall subsection (3) carry?

Mr. McPHILLIPS: Are these other two amendments going to be put in, or are they left out?

The VICE-CHAIRMAN: No.

Mr. McPHILLIPS: They are left out?

The VICE-CHAIRMAN: Yes.

That completes 375B.

Section 375B of clause 2 agreed to.

—regulations by governor in council,

The VICE-CHAIRMAN: Now, gentlemen, we come to 375C. Are there any questions on this item in the bill?

Shall we take it item by item?

Mr. McPHILLIPS: Let us take it as carried.

Sections 375C and 375D of clause 2 agreed to.

Mr. McPHILLIPS: On this, Mr. Chairman, we are talking about uniformity here. I notice in the American bill, the minister or secretary of commerce, as they call him, has some jurisdiction to remit or reduce these fines, which are very substantial.

Mr. HEES: These are maximum fines, I might say, Mr. Chairman. It is a fine up to a certain amount. However, the amount of fine, I am advised, would be decided by a local judge, who would try the case, and it would be on his authority that the amount of the fine is fixed. These are just maximums that could be imposed.

Mr. BROWNE (*Vancouver-Kingsway*): Earlier, Mr. Chairman, we were considering an amendment on the question of the reciprocal arrangements between the United States and Canada. I do not think that we have gone past it. It was intended that, perhaps, it should have been considered at the end of 375B, and a new subsection (c) would be put in making arrangement for the reciprocal part of it.

The VICE-CHAIRMAN: Would it be agreeable to the committee to insert that as a clause—and I am referring to the reciprocal agreement?

Mr. SMITH (*Simcoe North*): As long as it is not a clause proposed by the shipping federation.

Mr. HEES: It would have the same wording as that used in the American bill.

Mr. BROWNE (*Vancouver-Kingsway*): But it will have to be changed to fit.

The VICE-CHAIRMAN: After No. (3) in 375B, will be (c).

Mr. HEES: Is not the wording used by the Americans all right?

Mr. BROWNE (*Vancouver-Kingsway*): We would have to substitute the word "Canadian" where they have "United States".

Mr. HEES: To me, it seems like a good, straightforward, simple statement, and I think we might adopt it.

Mr. SMITH (*Simcoe North*): I have one short comment in connection with 375C. I am glad to know it is the governor in council that makes the regulations designating restricted waters in the Great Lakes, because from some of the evidence we have heard today it almost sounded as if the shipping federation were making those regulations.

The VICE-CHAIRMAN: Is it agreeable to the committee that an addition be made, to bring in the reciprocal agreement clause?

Mr. HEES: Basically, you could use the words of the American bill.

Mr. MCPHILLIPS: In reverse!

Mr. HEES: Well, adapted to our own bill.

The VICE-CHAIRMAN: Could we have a motion recommending that this clause be drafted, that it be proposed by the minister when it comes before the house?

Mr. HEES: In committee of the whole?

The VICE-CHAIRMAN: Yes.

It has been moved by Mr. Browne (*Vancouver Kingsway*) and seconded by Mr. McPhillips that this be done.

Mr. McPhillips, were you satisfied with 375C?

Mr. MCPHILLIPS: Yes.

The VICE-CHAIRMAN: Is section 375D agreed to?

Section 375D of clause 2 agreed to.

Clause 3 agreed to.

Preamble agreed to.

Title agreed to.

The VICE-CHAIRMAN: Shall the bill carry, as amended?

Some Hon. MEMBERS: Agreed.

The VICE-CHAIRMAN: Shall I report the bill, as amended?

Some Hon. MEMBERS: Agreed.

The VICE-CHAIRMAN: And, including this recommendation?

Some Hon. MEMBERS: Agreed.

The VICE-CHAIRMAN: Gentlemen, thank you. We meet again at 9.30 on Thursday, at which time we will take up Bill C-81, to amend the Freight Rates Reduction Act.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960

STANDING COMMITTEE

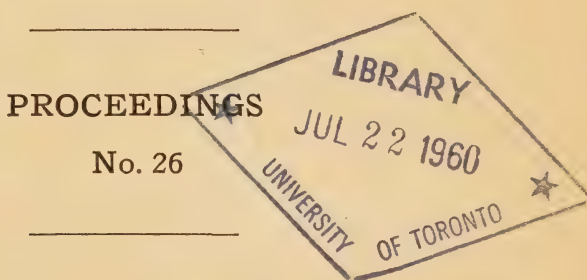
ON

**RAILWAYS, CANALS AND
TELEGRAPH LINES**

Vice-Chairman: W. MARVIN HOWE, ESQ.

PROCEEDINGS

No. 26



Bill C-81, An Act to amend the Freight Rates Reduction Act.

Including Fourteenth Report to the House

THURSDAY, JULY 7, 1960

WITNESSES:

Hon. George Hees, Minister of Transport; Mr. L. J. Knowles, Commissioner, Board of Transport Commissioners for Canada; and Mr. John A. D. Magee, Executive Secretary, Canadian Trucking Associations Inc.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE
ON
RAILWAYS, CANALS AND TELEGRAPH LINES

Vice-Chairman: W. Marvin Howe, Esq.

and Messrs.

Allmark,	Deschatelets,	McGee,
Asselin,	Drysdale,	McGregor,
Badanai,	Dumas,	McPhillips,
Baldwin,	Fisher,	Monteith (<i>Verdun</i>),
Bell (<i>Saint John-Albert</i>),	Garland,	Pascoe,
Bourbonnais,	Grills,	Payne,
Bourget,	Horner (<i>Acadia</i>),	Peters,
Bourque,	Horner (<i>Jasper-Edson</i>),	Phillips,
Brassard (<i>Chicoutimi</i>),	Johnson,	Pigeon,
Brassard (<i>Lapointe</i>),	Keays,	Pratt,
Browne (<i>Vancouver-Kingsway</i>),	Kennedy,	Rapp,
Bruchési,	Lessard,	Rogers,
Cadieu,	MacInnis,	Rynard,
Campbell (<i>Stormont</i>),	MacLean (<i>Winnipeg North Centre</i>),	Smith (<i>Calgary South</i>),
Campeau,	Martin (<i>Essex East</i>),	Smith (<i>Lincoln</i>),
Chevrier,	Martini,	Smith (<i>Simcoe North</i>),
Chown,	Michaud,	Thompson,
Creaghan,	McBain,	Tucker,
Crouse,	McDonald (<i>Hamilton South</i>),	Valade,
Denis,		Wratten—60.

Eric H. Jones,
Clerk of the Committee.

ORDER OF REFERENCE

HOUSE OF COMMONS

TUESDAY, June 28, 1960.

Ordered,— That Bill C-81, An Act to amend the Freight Rates Reduction Act, to be referred to the Standing Committee on Railways, Canals and Telegraph Lines.

Attest

L.-J. RAYMOND

Clerk of the House.

REPORT TO THE HOUSE

FRIDAY, July 8, 1960.

The Standing Committee on Railways, Canals and Telegraph Lines has the honour to present following as its

FOURTEENTH REPORT

Your Committee has considered Bill C-81, An Act to amend the Freight Rates Reduction Act, and has agreed to report it without amendment.

A copy of the Minutes of Proceedings and Evidence relating to the said Bill is appended.

Respectfully submitted,

W. M. HOWE
Vice-Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, July 7, 1960.

(43)

The Standing Committee on Railways, Canals and Telegraph Lines met at 9.50 o'clock a.m. this day, the Vice-Chairman, Mr. W. M. Howe, presiding.

Members present: Messrs. Browne (*Vancouver-Kingsway*), Chown, Dumas, Howe, Martini, McDonald (*Hamilton South*), McPhillips, Monteith (*Verdun*), Pascoe, Payne, Pratt, Rogers, Smith (*Calgary South*), Smith (*Simcoe North*), Thompson, Tucker and Wratten.—17

In attendance: The Honourable George Hees, Minister of Transport; Messrs. H. H. Griffin, Assistant Chief Commissioner, and L. J. Knowles, Commissioner; of the Board of Transport Commissioners of Canada; and Messrs. Frank N. McCallum of Oshawa, Ontario, President; John A. D. Magee of Ottawa, Executive Secretary; and George H. Montague of Toronto, Economic Adviser, and Legal Counsel, Applied Economic Research Associates; of Canadian Trucking Associations Inc.

The Committee proceeded to consider a public bill, namely,
Bill C-81, An Act to amend the Freight Rates Reduction Act.

The Clerk read the Order of Reference dated June 28, 1960, whereby the said bill had been referred to the Committee.

On motion of Mr. Browne (*Vancouver-Kingsway*), seconded by Mr. Pascoe,

Resolved,—That the Committee print 750 copies in English and 250 copies in French of its Minutes of Proceedings and Evidence in respect of Bill C-81.

On Clause 1

Mr. Knowles was called; he explained the purpose of the bill and was questioned. The Minister answered questions which were referred to him.

Mr. Magee was called; he read a brief of Canadian Trucking Associations Inc., in opposition to the bill; copies of the said brief were distributed to members present. Mr. Magee was questioned and was retired.

Clauses 1 and 2, the Title and the Preamble were severally carried; the bill was carried without amendment.

Ordered,—That Bill C-81 be reported to the House without amendment.

At 10.35 o'clock a.m. the Committee adjourned until 9.30 o'clock a.m. Friday, July 8, 1960.

Eric H. Jones,
Clerk of the Committee.

EVIDENCE

THURSDAY, July 7, 1960.
9.50 a.m.

The VICE-CHAIRMAN: Order, gentlemen, I see a quorum. I shall now ask the Clerk to read the order of reference.

The CLERK OF THE COMMITTEE: This is the order of reference of the house, dated Tuesday, June 28, 1960.

Ordered, that bill C-81, an Act to amend the Freight Rates Reduction Act be referred to the Standing Committee on Railways, Canals and Telegraph Lines.

The VICE-CHAIRMAN: Thank you. As usual, it is necessary to have a motion for printing, and it is generally one for 750 copies in English, and 250 copies in French.

Mr. BROWNE (*Vancouver-Kingsway*): I so move.

Mr. PASCOE: I second the motion.

Motion agreed to.

The VICE-CHAIRMAN: We are now on clause 1 of the bill, Extension of time.

I would like to introduce to you Mr. L. J. Knowles, a commissioner of the Board of Transport Commissioners, and Mr. H. H. Griffin, Assistant Chief Commissioner of that board. Perhaps you gentlemen will come forward.

We shall ask you to explain this bill and to say a few words on it. Are you going to do that, Mr. Griffin.

Mr. H. H. GRIFFIN (*Assistant Chief Commissioner, Board of Transport Commissioners for Canada*): No, Mr. Knowles will.

Mr. L. J. KNOWLES (*Commissioner, Board of Transport Commissioners for Canada*): This bill is simply an extension of the subsidy bill which was passed about a year ago to reduce freight rates by an aggregate of \$20 million in one year.

Owing to the fact that the royal commission to which this whole railway question was referred has not yet reported, it is desired to continue the subsidy for another nine months at a proportional amount of \$15 million, to become effective on August 1 of this year, and to continue for nine months after that time.

The original bill directed the board of transport commissioners to issue orders requiring sufficient reduction to use up the \$20 million, and the committee will remember that I appeared at the last hearings and suggested that the amount would result in a reduction of seven per cent, based on the railways' own estimates of their normal traffic.

The railways had estimated that \$281 million worth of normal traffic would occur during the year 1959, and seven per cent of that is practically \$20 million. The board issued an order requiring that reduction to be made. It has been in effect since August 1 of last year, and we have required the railways to submit monthly claims, with the result that we have spent \$11 million.

Claims are always two or three months behind, and we figure there would be \$17 million used up, if it were not for the fact that we have ordered a further reduction of two per cent, which we estimate—along with the claims which will come in from the steamship companies which, of course, operate only in the summer time—will use up practically the whole \$20 million.

We found that the normal traffic was falling off in the first part of the year, and we see no indication that it will increase. So we ordered an increase in the reduction from seven per cent to nine per cent.

I have taken off a few figures for the present situation, and I have found that the normal traffic for January, February, and March—excluding the 17 per cent increase, in order to get at the basic figure—was \$60,200,000. If you multiply that by three for the nine month period, it will give you an amount of \$180,600,000; and a subsidy of \$15 million for that nine months would come to a reduction of 8.3 per cent.

The present reduction, as I have said, is nine per cent, so that I think the nine per cent can run on for another six or seven months, and we will get the claims in, in the meantime.

And if the normal traffic increases we may have to change that figure from nine back to eight or seven. But if the reduction in normal traffic continues, it is possible that we will not change the nine per cent reduction at all, and it will use up the \$15 million with a slightly less amount of normal traffic.

That is the purpose of the bill, and that is about as much as I can give you by way of explanation.

Mr. SMITH (*Calgary South*): Might I ask how the figure of nine months was arrived at?

Mr. KNOWLES: I do not know. The cabinet decided it.

Mr. SMITH (*Calgary South*): Perhaps Mr. Hees could tell us. Is it not a bit optimistic?

Hon. George H. HEES (*Minister of Transport*): Yes, Mr. Chairman. It is hoped that the royal commission on transportation will report by the end of the year, and that by April 30—I think the time is—it will be possible for the government perhaps to formulate a new approach to this rail problem. That is the reason for the nine months being used instead of the full year.

Mr. SMITH (*Calgary South*): You do not think it is too optimistic, then?

Mr. HEES: Well, it might be; but the government decided it.

The VICE-CHAIRMAN: Are there any other questions?

Mr. PASCOE: If we are too optimistic, and if the report is not ready, will it require another bill to carry on with, or would it carry on automatically?

Mr. HEES: Well, Mr. Chairman, parliament will be in session at that time, and if it is necessary to bring in another measure, as is being done in this case, that, of course, could be done.

The VICE-CHAIRMAN: Are there any other questions, gentlemen? If not, we have with us today, also in connection with this bill, Mr. Frank N. McCallum, president of the Canadian Trucking Associations Inc., Mr. John A. D. Magee, Executive Secretary of the Canadian Trucking Associations Inc., and Mr. George H. Montague, secretary and legal counsel of the Applied Economic Research Associates. Perhaps you gentlemen would be good enough to come forward and sit on the other side of the table.

Mr. GRIFFIN: We could step down.

The VICE-CHAIRMAN: Well, whatever you wish; but you might as well stay here, and if there are any joint questions, you could deal with them.

Gentlemen, those of you who were here last year when the original bill was brought in, will remember that Mr. McGee presented a brief at that time. I understand that he has another brief now, which is being distributed, and which he will present to you at this time, Mr. Magee.

Mr. John A. D. MAGEE (*Executive Secretary, Canadian Trucking Associations Inc.*): Mr. Chairman, Mr. Minister, and hon. members of the committee: we in the trucking industry very much appreciate your indulgence again in receiving a submission from us on the subject of this bill. You will notice that the submission before you is not a lengthy one. I think you will note that with some relief, after recalling the submission which we presented to you a year ago. We shall not take up too much of your time to present this one.

1. In April, 1959, the representatives of Canadian Trucking Associations Inc. were given permission to appear before this Committee to express the trucking industry's strong opposition to subsidized reduction of railway class and commodity (non-competitive) rates in the amount of \$20,000,000. Our submission was founded on extensive statistical data, extracted from the waybill analyses of the Board of Transport Commissioners for Canada. This data was considerably expanded for our presentation of the trucking industry's case to the Royal Commission on Transportation in April and May, 1960.

2. The legislation before this Committee is an extension of the legislation of a year ago: now, by expenditure of a further \$15,000,000, the seven per cent reduction of class and commodity rates is to be maintained for another nine months in addition to the further reduction to use up the \$20,000,000. It may be useful to analyse the origin of the present subsidy. The problem of rising railway costs reflected in rising rates has existed since the end of the war and the immediate cause of the present subsidy was the general rate increase granted to the railways by the Board of Transport Commissioners to meet the revenue requirements arising from the wage award of the Thomson Conciliation Board in 1953. The provincial governments, except for Ontario and Quebec, opposed the railways' rate application, and, when the increase was granted, appealed the decision to the governor in council. Although the appeal was denied, the government decided to take steps to alleviate the burden of the rate increase. These steps were:

- (i) appointment of a Royal Commission to study the transportation problem and propose suitable remedies, and
- (ii) a subsidy of \$20,000,000, granted for one year, reducing rail non-competitive rates by 7 per cent, this measure to serve as an interim remedy.

In view of the fact that the Royal Commission has not yet completed its very formidable task, the interim subsidy is now being extended for another nine months at a cost of \$15,000,000.

3. The subsidy was designed to prevent a full increase on non-competitive rates. Thus, the government recognized the corrective action of competitive forces in transportation, and decided to minimize its interference with the competitive functions in transport, accounting, as they do, for an ever-increasing proportion of freight rates.

4. The competitive forces in transportation are certainly growing, not only in central Canada but in western Canada and the maritimes. As we demonstrated to this Committee in April, 1959, and, this year, to the royal commission, the growth of competitive rates—the best indicator of the existence of competition—in the western and maritime provinces has reached the proportions which existed in central Canada in the early 1950's. Even where these proportions

have not yet been reached, the increase in the relative importance of competitive rates has been fast enough to contradict completely the oft-repeated and factually-erroneous statement that competition in transport is restricted to central Canada.

5. The existence of these broad trends towards a general increase in transport competition in *all* regions of the country, and the beneficial effect of these trends, cannot be denied. It is fair, therefore, to state, the existing subsidy problem in the broad context of the growing competitive situation, and ask ourselves the question:

“will the existing trend be hampered by the proposed legislation?”

6. In our opinion the answer is in the affirmative, and, therefore, we are here to present the case against continuation of the subsidy.

7. Our opposition to the present subsidy is not based on doctrinaire grounds. We believe in the efficiency of the competitive enterprise system; in the efficiency of the market mechanism. We believe that competitive forces can provide the best corrective action; that subsidies which interfere with the working of the competitive system, as all subsidies do, must, therefore, be avoided. Nevertheless, as a matter of practical economic policy we realize that subsidies are sometimes necessary and even beneficial. Without the original railway subsidies, our railway system would have taken much longer to develop, and it is probable that Canada, as an economic and political unit, would not exist. In other words, there are good subsidies and bad.

8. The land grants, capital grants, and guarantees of loans which enabled our railway system to become established were, broadly speaking, good subsidies: they helped to link the country together, and once that objective had been achieved, and the consequential economic development had taken place, the need for them disappeared. Thus, we arrive at the basic criterion of a good subsidy:

a subsidy is justified if it promotes a permanent solution to a problem, and if, once this solution has been achieved, the subsidy disappears. In other words, a good subsidy is self-liquidating.

9. Conversely, a subsidy which does not solve anything—or worse, even perpetuates the problem—is a bad subsidy.

10. This, in essence, is our case against the present subsidy proposal. It is not self-liquidating. On the contrary, it will tend to retard the growth of natural corrective forces. It does not provide a solution to the problem of the spiral of costs and rates; on the contrary, it may make a solution more difficult. Lastly, if allowed to perpetuate, it will generate sufficiently strong vested interests as to make its removal later virtually impossible and the prevention of its further increase difficult.

11. We submit that the present subsidy will make the growth of the natural corrective force—competition—more difficult. It can be argued, of course, that the subsidy applies only to non-competitive rates, and leaves the competitive rates alone. This argument overlooks a fundamental fact: all the existing competitive rates of the railways were once non-competitive. If, by some miracle, or by some historic disaster, no competition in transportation had been allowed to develop, all freight traffic would still be carried by rail at non-competitive rates. Even a small percentage rate reduction, in the present highly competitive markets, may make all the difference to a potential transport competitor as to whether or not to enter a particular traffic market. To question the trucking industry's opposition to the subsidy by questioning whether it affects our past or present traffic is, in our submission, irrelevant. The relevant question is this: will the trucking industry be able to expand the competitive sphere if its competitors' rates are kept artificially low? Since the trucking industry is subject to the same, or similar, pressures of rising costs and wages it is doubtful whether

it will be able to expand its competitive sphere under a subsidy umbrella embracing non-competitive railway rates. Moreover, with the pressure of higher costs, the railways may be forced to withdraw competitive rates, where they feel truck competition to be weakest, and thus increase the range of non-competitive rates. After all, the reason for the existence of competitive rates is competition—eliminate competition and the competitive rates will disappear!

12. The rate subsidy clearly does not provide a solution to the upward pressure on railway rates caused by rising costs. It is clear that if the present cost trends continue, either the rates will have to be increased or the subsidy raised. If the first alternative is adopted, then the reason for granting the subsidy in the first place becomes rather doubtful. If the second course—raising the subsidy—is adopted, then a new built-in inflationary element is created in our economy. The railways have been extremely conscious of the fact that any cost increase translated into a rate increase results in loss of traffic or an increase in the proportion of competitive rates. This fact works as a powerful incentive on railway management to keep costs down. At the same time, the railway labour unions are naturally aware that excessive wage demands should be avoided since they will lead to the loss of traffic and subsequent loss of employment for their members. If, however, a principle is adopted that increased subsidization should follow any threat of a rate increase, then the normal commercial restraints upon railway management and labour tend to disappear.

13. The objection against these lines of reasoning is roughly this: the \$20,000,000 subsidy, and the further subsidy of \$15,000,000, are purely temporary. But how temporary are they? Our life is full of permanent fixtures which once upon a time were introduced as "temporary measures"—the income tax is one of them! The basic fact of economic life is that societies, groups, firms and individuals adjust themselves to new situations, and, once adjusted, will fight any disturbance if it promises an apparent loss of real or imaginary benefits. The same is true of the subsidy. Once introduced, it arouses strong forces fighting for its extension. Once it is extended, a precedent is created for repeating the demand for further extension, and so on.

14. In other words, the most dangerous aspect of the present subsidy proposal is the long-run effects of the precedent, and the dangers of the subsidy becoming not only permanent but growing in size.

15. These fears are by no means theoretical. At this very time another wage claim is being considered, and the railways are making it increasingly clear that, being no different than other businesses in having to establish a price for service that covers costs, they cannot operate under the present frozen rates condition. Regardless of the merits of any particular railway argument, it is obvious that the present conditions—the rates being frozen and the subsidy fixed—cannot last. It is a matter of irrefutable logic that one of two alternative courses must sooner or later be adopted: either allow rates to rise to meet the new cost conditions, assuming that wage increases are granted, or the subsidy will have to be increased. It is obvious that all the pressure will be brought to bear to increase the subsidy.

16. If the present subsidy continues, and if, by the sheer logic of events, it is allowed to grow, then the effects on the trucking industry are bound to be serious, as the operators and employees in our industry, right across the country, are well aware. Our industry is not isolated from the upward pressure of costs. It has to deal with a union which is not known to this Committee or anyone else in the country for its timidity in wage negotiations. If our costs rise, then either our rates will have to go up, or our services will have to be withdrawn. Since the effective ceiling on the possible rate increase has been fixed by the subsidy-cum-rate-freeze policy, only the second course, in the long run, is open to us. At first the results may not be too

obvious: a competitive trucking service about to be started will not be started; an investment program to support a competitive service will be curtailed; then gradually withdrawal from the competitive services will have to take place. Since the trucking industry finds it just as difficult as anyone else to cut its overheads to meet the conditions of a shrinking market, the withdrawal from competitive services, stagnation in growth, must result in less traffic to be serviced by our terminals, less trucks serviced by our workshops, and higher rates on our own non-competitive traffic. The policy of railway subsidization in the long run must necessarily result

- (i) in the weakening of the corrective competitive action, and, therefore, in the maintenance of higher railway rates;
- (ii) in the deterioration of the trucking industry's position and in the decline of truck traffic which would lead to higher costs and higher rates for traffic which truckers, for some reason or other have to carry alone.

17. The trucking industry's position can be summarized briefly, as follows:

- (i) We see no reason for a subsidy of this kind and are opposed to its continuation;
- (ii) We believe that the burden of rate increases will be prevented from growing excessively by healthy rail-truck competition;
- (iii) Since the corollary of the present subsidy is the rate freeze, the results must—in the long run at least—be detrimental to the trucking industry.
- (iv) The real danger of the proposed subsidy is that it promotes the growth of vested interests around it which may make it a permanent and growing feature of our economic life.

18. All of which is respectfully submitted, sir.

Mr. CHOWN: Mr. Chairman, would Mr. Magee be prepared to comment on the trend, which became evident in our examination of the railways, toward the elimination of competition by the trucking industry by widespread purchases of trucking corporations?

Mr. MAGEE: Mr. Chown, you are referring to the entry of the railways into the trucking filed?

Mr. CHOWN: On a pretty substantial scale—

Mr. MAGEE: Very substantial.

Mr. CHOWN:—according to our evidence.

Mr. MAGEE: Yes, that is quite true. The Canadian Trucking Associations is opposed to railway entry into the trucking field, because we believe that it cuts down the condition of competition, which is the basic premise of this brief. As the committee is aware, the Canadian Pacific has made a number of purchases of truck lines right across Canada, down into the maritimes, and apparently the government, perhaps feeling that because the Canadian Pacific is on the roads from coast to coast it is unfair to deny the Canadian National the same opportunity, has advanced funds for the Canadian National to enter the field on a fairly large scale.

Some of our companies have been purchased. Another one is under option, a very large east-west carrier: as a matter of fact, the president and managing director of the company happens to have been a member of our board of directors.

We are most concerned about this trend. We are not very confident that, if the Canadian National is held roughly at the investment level of the Canadian Pacific, that is going to end the problem; or, at least, hold the problem at that

level. Both of the railways are competitive with each other, and it may well be that the Canadian Pacific, seeing the Canadian National on the roads perhaps at a similar level to its own, will then proceed further into the trucking industry. When that happens, the president of Canadian National Railways—who is a pretty forceful gentleman—will come along and say, “Now, our hands are going to be tied behind our backs unless we can match that”.

That is why we are very concerned about the trend of railway entry into the trucking field. I do not think many other organizations in Canada support the stand that we take; but we think there is a very important principle at stake here, and whether it makes us popular or not to state it, we have stated it and intend to continue doing so.

Mr. SMITH (*Calgary South*): Mr. Magee, you seem like a reasonable young fellow. I am not going to discuss with you your argument about how temporary things become permanent; there is a measure of truth to that. But would you not concede that your representations might be better made before the royal commission, because surely you would concede the necessity of the continuation of the subsidy at least until such time as the commission has reported?

I have some doubts about your remarks concerning the subsidy affecting competitive rates; but regardless of that, we have a commission which has this under study: is this not the point?

Mr. MAGEE: I may say that the Canadian Trucking Associations appreciate very much the point that you have made about participation in the royal commission. I think we have been a major participant in the inquiry, and of the eighty days of hearings that have taken place to date we have been represented by counsel at 67 days of the hearings all across Canada—the Maritimes, central Canada and the west.

We have presented our views on this matter to the commission. In fact, the witness for our associations holds the record for the longest appearance in the witness box of any individual witness to date. He was there for eight days. I have, in a suitcase there, a pile of transcripts which represents our evidence to the commission, given under direct examination and under cross-examination by the railways and the provinces, including my good friend, Mr. Frawley, whom I see sitting down there.

Mr. SMITH (*Calgary South*): Your lawyers are doing exceedingly well.

Mr. SMITH (*Simcoe North*): I sometimes hear the charge from shippers in our area that rather than competition you use the railroad rates for a shelter. In other words, your rates are not determined on costs, but are a few cents, five cents under the railway rates. I have had examples cited to me of equal mileages—as, for example, between Guelph and Toronto and Barrie and Toronto—where the railroad, by some old rule, was permitted to charge a slightly higher rate into Barrie over Guelph, and there is exactly the same differential on trucking rates as there is between the rail rates on this route.

Mr. MAGEE: I do not know the situation in that particular area. I might say, though, that the competitive situation in the freight rate field today is about as wild and woolly as you could hope to get it. I am talking of competition between truckers and competition between truckers and the railways.

I have just come from a meeting in Toronto of the agreed charges committee of the association which was discussing the agreed charge in the movement of beer in the province of Saskatchewan; and one of the operators attending has sold all his trucks, has dismissed his drivers and has put his terminal up for sale. I am not saying that to arouse the sympathy of the committee for the operator, but I raise it to show that the rate competition in the transportation field is very keen and is felt very much, I think, by both sides at the present time.

Mr. SMITH (*Simcoe North*): I think in our area we are having a great influx of truckers. There are two new terminals being built. I see in the local paper that Smith Transport is trying to drum up support for a licence out of Barrie.

Mr. MAGEE: Yes.

The VICE-CHAIRMAN: Do you know of any kind of business these days that has not wild and woolly competition of all kinds, shapes and degrees?

Mr. MAGEE: I certainly do not. I am not objecting to it. I just wanted to try to deal with the question about whether the truckers were sheltering under the railroad rates.

Mr. MACDONALD (*Kings*): If Mr. Smith's argument is right the truckers are doing that—

Mr. SMITH (*Simcoe North*): It is not my "argument," but my "statement."

Mr. MACDONALD (*Kings*): Then, Mr. Gordon, who is getting into the trucking industry in Canada and who is subsidized by the people of Canada—will he not be sheltered too? Do you know of any specific instance where any firms purchased by the railways have been well below the competition you are used to on direct runs, say, from Toronto to Edmonton?

Mr. MAGEE: So far, I do not think the railway truck lines have shown any trend to precipitous rate slashing, based on the size and strength of the companies that own them. What is going to happen now is hard to tell.

Mr. CHOWN: Mr. Magee, I have the opinion, not based on a depth of knowledge of your industry, but on the basis of complaints I get from my own province, that the decentralization of jurisdiction over the industry to the provinces has been a contributive factor to the areas of hardship that come to our attention fairly frequently. Would you agree or disagree with this; or would you not care to express an opinion?

Mr. MAGEE: Oh, I could express an opinion on the existing Motor Vehicle Transport Act of 1954, under which extra-provincial trucking is controlled and regulated. Part of our submission to the royal commission dealt with the act, and we consider it a complete failure. We would like to see the act replaced by legislation that preserves the role of the provincial boards as the federal regulating agencies, but which joins them together as a joint transport board when they are considering extra-provincial applications.

At the present time, under the Motor Vehicle Transport Act we have a situation where each provincial board, acting as a federal agency of control under the federal act, has equal federal regulatory powers under the act. Take the case of two boards hearing the same extra-provincial application. Suppose there is an application for a licence from Toronto to Winnipeg, and each gives diametrically opposed decisions—and that has happened recently. Yet they are both functioning as federal boards, because the jurisdiction under our constitution has not been transferred, and it is only that these provincial boards are appointed as federal regulatory agencies.

We presented a quite extensive submission to the royal commission on that. I may say that the railways made a motion that all the evidence we wished to present to the commission—all the comments on extra-provincial truck control and our proposed new act—were beyond the jurisdiction of the commission and could not be received by them. The next day the commission ruled that all our evidence and proposed legislation came within the jurisdiction of the commission, were relevant to its inquiry and would be received. Therefore, we proceeded to put it in.

Mr. CHOWN: What you contemplate is not that you should be brought under the jurisdiction of the board of transport commissioners, but that you should rather have an extra-provincial national regulatory board which would deal with the separate agencies, existing agencies, across the nation—is that it?

Mr. MAGEE: Yes. If I can put a six or seven-page proposed act in a nut shell, it would join all provincial boards together as a joint board in any extra-provincial application they were concerned with.

There are other provisions in it to end conflict of division of decisions given by the boards which has become a very big problem. If you apply for an extra-provincial licence now you have to go right across Canada, to hearings of five or six different provincial boards, and you have lawyers and witnesses trailing all across the country to attend these hearings. This is very effective barrier to keeping smaller operators out of the field at the present time, because they have not the money to spend doing that.

Mr. CHOWN: What about the extra-Canada trucking? Is this not a very important factor in the competitive field, as far as your Canadian industry is concerned—from the United States, I mean?

Mr. MAGEE: This is becoming an increasingly important factor. We have always had a substantial number of Canadian international operators across Canada, interlining across the border or who go down further into the United States to various destinations in that country. We now have a greater interest exhibited by American trucking companies in coming into Canada. We have had some investment in that regard.

Mr. CHOWN: Have you made representations in the United States on behalf of the industry?

Mr. MAGEE: No, I have not.

Mr. DUMAS: Mr. Magee, I do not think you answered the second part of Mr. Smith's (Calgary South) question to the effect: Would you say this subsidy may now be justified, until the time we receive the report from the royal commission?

Mr. MAGEE: I am afraid I have to answer to that in the negative, sir. We were here last year, on the instructions of our annual meeting, and opposed the subsidy then; and I am afraid we are still opposed to it.

The CHAIRMAN: Any further questions?

Mr. PRATT: I would like to ask a question of a rather parallel nature. If the competition between the unions is to continue to increase costs, for both the railways and the trucking industry, how are we going to keep costs down by competition between these, in any case?

Mr. MAGEE: There is a certain cost factor on both sides of the fence, very definitely, because of the labour situation in both industries. That is inevitable, but both the railway industry and the trucking industry are, through research, new methods and new types of equipment, naturally doing everything they can to meet those cost increases, to mitigate them as much as they can. We have new types of equipment coming into the trucking industry, like equipment permitting bigger loads. We have mechanization of terminals—small trains going around inside the terminal, to pick up freight to load into the highway tractor-trailers. This will assist in lowering the pick-up and delivery costs in cities. The railways themselves have made tremendous changes in the last five or ten years, to meet the cost situation.

Mr. PRATT: Including the piggy-back?

Mr. MAGEE: Yes, including the piggy-back.

The VICE CHAIRMAN: Are there any further questions of Mr. Magee, gentlemen?

Thank you very much, Mr. Magee.

Coming back to the bill: shall clause 1 carry?

Clause 1 agreed to.

The VICE CHAIRMAN: Shall clause 2 carry?

Clause 2 agreed to.

The VICE CHAIRMAN: Shall the title carry?

Agreed to.

The VICE CHAIRMAN: Shall the preamble carry?

Agreed to.

The CHAIRMAN: Shall the bill carry without amendment?

Agreed to.

The VICE CHAIRMAN: Shall I report the bill without amendment?

Agreed to.

The VICE CHAIRMAN: Thank you very much, gentlemen.

We shall adjourn until 9.30 tomorrow morning, when we shall meet *in camera* on the draft of the report to the house on the toll-collection operations at the Montreal bridges. If we can be here tomorrow morning, sharp at 9.30, and get started in good time, I think it will be fine, gentlemen. I know you have all waited a long time to see this draft report. Tomorrow morning, then, at 9.30. Thank you, gentlemen.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960

STANDING COMMITTEE

ON

RAILWAYS, CANALS AND TELEGRAPH LINES

Vice-Chairman: W. MARVIN HOWE, ESQ.

MINUTES OF PROCEEDINGS

No. 27

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FIFTEENTH REPORT TO THE HOUSE

respecting

Toll-collection operations at the Jacques-Cartier Bridge,
Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

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ON
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Chevrier,	Michaud,	Valade,
Chown,	McBain,	Wratten—60.
Creaghan,	McDonald (<i>Hamilton</i>	
Crouse,	<i>South</i>),	
Denis,	McGee,	

Eric H. Jones,
Clerk of the Committee.

REPORT TO THE HOUSE

TUESDAY, July 12, 1960.

The Standing Committee on Railways, Canals and Telegraph Lines has the honour to present the following as its

FIFTEENTH REPORT

1. On February 5, 1960 your Committee was given the following Order of Reference, namely,

Ordered,—That the Standing Committee on Railways, Canals and Telegraph Lines be empowered to consider the toll-collection operations at the Jacques-Cartier Bridge, Montreal, Quebec, and at the Victoria Bridge, Montreal, Quebec.

2. Your Committee records its deep appreciation of the courteous efficiency of its late Chairman, Mr. Gordon K. Fraser, M.P., who skilfully guided its deliberations until his untimely death on May 26th, immediately following a meeting of the Committee.

3. Your Committee has held 31 meetings on the said Order of Reference. It commenced its consideration of the reference on February 9, 1960, but, in view of action which had recently been taken by the Royal Canadian Mounted Police, it resolved that its proceedings on that Order of Reference be adjourned for the time being. On February 24, 1960, the Minister of Transport, in the House expressed the view of the government that your Committee should postpone its deliberations on the matter. On March 10, 1960, the Minister of Transport stated in the House that the government was then of the view that the hearings of the Committee on the matter should not be further delayed. Accordingly, your Committee resumed its consideration of the matter on March 14, 1960.

4. During its deliberations your Committee examined twenty witnesses on various aspects concerning the administration of toll-collection operations at the Jacques-Cartier Bridge and at the Victoria Bridge. The said witnesses were as follows:

Ministers of Transport, past and present:

The Honourable George Hees, Minister of Transport;
The Honourable George C. Marler, as a former Minister of Transport;
The Honourable Lionel Chevrier, as a former Minister of Transport;

of the National Harbours Board:

Mr. Maurice Archer, Chairman;
Mr. B. J. Roberts, as a former Chairman;
Mr. R. K. Smith, as a former Chairman;
Mr. G. Beaudet, Port Manager, Montreal Harbour;
Mr. A. G. Murphy, as a former Port Manager, Montreal Harbour;
Mr. J. B. Phair, Chief Treasury Officer;
Mr. J. F. Finlay, Legal Adviser;
Mr. J. A. Clément, Superintendent of Bridges, Montreal Harbour;
Mr. Alfred Poole, as a former Supervisor of Toll-collectors, Jacques-Cartier Bridge;

of Canadian National Railways:

Mr. Walter Smith, Ottawa Executive Representative;
Mr. George A. Shea, as a former Director of Investigation;
Mr. Lionel Côté, Assistant General Solicitor;
Mr. L. J. Henderson, General Manager of Road Transport;
Mr. L. J. Mills, Comptroller;

Officials of trucking firms using the bridges:

Mr. James N. Doyle, General Counsel and Secretary, Steinberg's Limited, Montreal, Quebec;
Mr. Jean Girard, General Manager, Miron & Frères Ltée, Montreal, Quebec;
Mr. Albio Bélanger, Owner and Manager, Bélanger Transport Enr., St. Jean-Port-Joli, Quebec.

5. The decision of the House to refer this matter to your Committee was a wise one as was indicated by the facts disclosed following the installation of the automatic toll-collection equipment on the Jacques-Cartier Bridge in September 1959. Your Committee heard evidence that the new tariff of tolls established in connection with this equipment had been designed in the belief that there would be an over-all reduction of revenue, whereas the actual toll collections following the installation of the equipment resulted in a large increase in revenue.

6. The system previously in use had been exclusively one of manual collection, and, despite the indicated method of checks and inspections, this was a method which was obviously open to a substantial element of human frailty. The evidence before the Committee did not positively establish pilfering or misappropriation of the tolls collected on the Jacques-Cartier Bridge, but it did give strong grounds for suspicion.

7. Although earlier inspections disclosed breaches of the regulations, they did not provide proof of misappropriation of the tolls by the collectors. However, inspections in 1946, 1952, 1957 and 1958 did indicate certain irregularities and infractions of the rules in regard to toll collections. This could lead to the presumption that some of the unexpected increase in revenue after the automatic equipment was installed might have resulted from the likelihood that money could have been diverted from its proper destination. Your Committee's enquiry was particularly directed to this possibility as well as to whether those charged, directly or indirectly, with the administration of the toll-collection operations at the Jacques-Cartier Bridge must, in any way, be held responsible for permitting this situation to arise and to continue for as long as it did.

8. The limitation on the Committee by reason of the current criminal proceedings prevented it from making as detailed an examination as otherwise it would have made; had it not been so, those charged might have been prejudiced in their right to a fair trial.

9. The Jacques-Cartier Bridge was constructed and is being operated as the result of an agreement dated May 5, 1928, between three parties, namely, the federal government, the government of the province of Quebec and the city of Montreal. It was established as a toll-bridge with the expectation that it would be self-supporting. The federal government, through the National Harbours Board has the sole responsibility for its operation and the collecting of tolls on the bridge. It is the duty of the National Harbours Board to report to Parliament through the Minister of Transport.

10. It would appear from the evidence that during much of the period of the operation of the Jacques-Cartier Bridge there was a lack of regular contact between the Montreal Harbour Commission and its successor, the National Harbours Board, and the Minister of Transport. It is your Committee's view that the National Harbours Board should have more seriously regarded the reports of irregularities and brought them to the attention of the Minister of Transport. Had this been done, it would probably have resulted in a more businesslike administration of the toll collections at the Jacques-Cartier Bridge.

11. The Committee found it difficult to understand the delay from October 1956, when the Board approved in principle the installation of automatic equipment, until the actual installation in September 1959. Evidence showed that this matter was first brought to the attention of the government in 1956, but no action was taken at that time. It was not brought to the attention of the government again until April, 1958, and was proceeded with very shortly after that date. It also showed that there had been certain physical conditions which had developed with regard to installation of the automatic toll equipment and that there could have been some delay in having the tariff of toll charges approved by the province of Quebec.

12. Your Committee feels that had there been closer contact between the Minister and the National Harbours Board earlier action would have been taken for the implementation of their suggestions. That this delay was unfortunate is indicated by the evidence which showed that there was increased deterioration in the operation of the old system between 1956 and 1959 when the new equipment came into operation.

13. As instructed in its Order of Reference your Committee spent considerable time in examining the administration of the toll collection operations at the Victoria Bridge.

14. Comparative information was obtained regarding the revenues of each of the two said bridges. Your Committee feels that the fact the increase in revenue on the Victoria Bridge after the installation of the automatic equipment was not of such large proportions as that on the Jacques-Cartier Bridge was due, to some extent, to the more regular inspections on the Victoria Bridge.

15. Your Committee feels that, according to the evidence produced, although the new system may not be entirely fool-proof it is set up in such a manner that the irregularities found under the former system will not develop. This is borne out by a recent report sent to the National Harbours Board by the Royal Canadian Mounted Police that

"As far as could be established to date the automatic toll collection machines are considered fool-proof. Furthermore, the present system of collecting, accounting and safeguarding the tokens would not appear to allow for any way of pilfering."

16. Your Committee recommends that the contact between the National Harbours Board and the Minister of Transport be strengthened through a system of regular reports from the Board to the Minister so that he may be kept fully informed of all appropriate matters pertaining to the administration of the Jacques-Cartier Bridge.

17. Your Committee also recommends that, as the position of toll officer on the bridge is a responsible one, the required qualifications for such employment be of a higher standard than at present.

18. To ensure and to protect the bridge revenues your Committee further recommends more regular inspections by an appropriate organization.

19. Finally, your Committee recommends that the government give consideration to the resumption of this enquiry on the operations of both bridges at such time as the investigations by the Royal Canadian Mounted Police with respect to toll collections and any court proceedings pursuant thereto have been finalized.

20. A copy of the Minutes of Proceedings and Evidence relating to this enquiry is appended.

Respectfully submitted,

W. M. HOWE,
Vice-Chairman.

MINUTES OF PROCEEDINGS

FRIDAY, July 8, 1960.

(44)

The Standing Committee on Railways, Canals and Telegraph Lines met *in camera* at 9.30 o'clock a.m. this day, the Vice-Chairman, Mr. W. M. Howe, presiding.

Members present: Messrs. Badanai, Bourget, Browne (*Vancouver-Kingsway*), Chown, Denis, Deschatelets, Dumas, Grills, Howe, Martini, McBain, McPhillips, Pratt, Rapp, Smith (*Lincoln*) and Thompson.—16

The Committee considered a draft of a Report to the House on the toll-collection operations at the Jacques-Cartier Bridge and at the Victoria Bridge, Montreal, which the Subcommittee on Agenda and Procedure had considered and recommended for consideration of the Main Committee.

During paragraph by paragraph consideration of the Draft Report, certain revisions were made thereto.

It was then moved by Mr. Badanai, seconded by Mr. McPhillips, that the Draft Report, as revised, be adopted. Following brief debate, the said motion was carried, on division, YEAS: 11; NAYS: 4.

Ordered,—That the said report, as revised, be presented to the House.

Mr. Deschatelets expressed the appreciation of the Committee for the tactful efficiency of Mr. Howe, its Vice-Chairman, who had so ably presided over its meetings since the lamented death of Mr. Gordon K. Fraser, late in May.

At 10.40 o'clock a.m. the Committee adjourned to the call of the Chair.

Eric H. Jones,
Clerk of the Committee.

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